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NEWS SUMMARY

GENERAL

Queen Juliana to abdicate

Queen Juliana of the Netherlands is to step down from the throne to be succeeded by her eldest daughter Beatrix, 42. The Queen, 70, made her announcement in a special radio and television broadcast.

The announcement was widely expected on her 70th birthday in April, despite a statement from Premier Andries van Agt that she would not step down.

Since the Lockheed pay-off scandal in 1975, which involved her husband Prince Bernhard, abdication rumours had been rife. But at that time there was considerable pressure from the Socialist Government and the Dutch people for her to remain on the throne.

Phone tap pledge

The Prime Minister and Home Secretary William Whitelaw gave assurances in the Commons that no unauthorised telephone tapping was being carried out by security services or the police following allegations of illegal surveillance in the New Statesman magazine. *Back Page: Parliament, Page 12*

Nkomo backing

Former Rhodesian Premier Ian Smith publicly supported *Patriotic Front leader Joshua* Nkomo and turned against his rival Robert Mugabe in a move aimed at paving the way to a moderate coalition government. Back Page

Military aid

French military aircraft and helicopters were sent to Tunisia to help the army restore control over the town of Gafsa after last weekend's siege in which 41 people died. Page 2

Heart transplant

Britain's second heart transplant this week was carried out on Ronald Marney, 50, a Yorkshire engineer. He was said to be well after the operation at *Harefield Hospital, Hillingdon,* West London.

Killer weds

Convicted killer James Boyle, 35, *was allowed briefly out of* Barlinnie Prison, Glasgow, where he is serving a minimum 15-year life sentence, to marry psychiatrist Dr. Sarah Trevelyan, daughter of former film censor John Trevelyan.

Oil tanker probe

Police are investigating UK aspects of the sinking of the oil tanker Salem off the West African coast and the disappearance of its oil cargo valued at $56.3m (£24.9m). Page 7

Jury row reply

Controversy over Judge Alan King-Hamilton's criticism of the jury at the recent Old Bailey anarchist trial should be allowed to "die down," Lord Chancellor Lord Hailsham told four jurors who protested.

Chocs away

Manchester police are searching for a van-load of more than 9,000 Easter eggs, value £3,100, stolen from a warehouse.

Briefly . . .

Two bombs exploded in a Belfast furniture store. No one was hurt.

Channel ferry set crossing record from Dover to Calais of 53 minutes 49 seconds.

Ronald Knight, 45, husband of actress Barbara Windsor, was granted £200,000 bail on murder and arson charges.

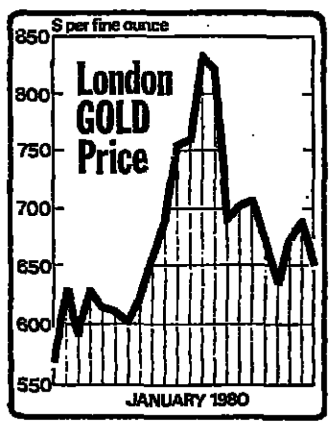
Five men died and 21 were *missing after two ships sank off* Japan in a blizzard.

Long-range weather forecast for February predicts very cold spells and widespread snow. **Forecast, Back Page**

BUSINESS

Gold off $40; Equities slip 4.3

● **GOLD fell $40 in London in *quiet trading to close at $650,* wiping out yesterday's gains.**



South African GOLD shares followed the fall in the bullion price and the Gold Mines index closed 20.6 down at 329.9.

● **STERLING remained firm, closing at $2.2670, a rise of 50 points. Its trade weighted index was 71.8 (71.7). DOLLAR *improved to close at DM1.7440* (DM1.7370). Its index was 85.1 (85.0).**

● **EQUITIES fell back after early gains, the FT 30-share *index closing 4.3 down at 453.3.***
● **GILTS fell as shorts came under pressure from a credit *shortage.* The Government Securities index closed 0.42 down at 67.27.**

● **WALL STREET was up 1.20 at 883.11 just before the close.**

● **PRESENT** Government policy has little chance of reducing inflation or promoting growth in the next five years, the Economist Intelligence Unit says. Page 8

● ***CUSTOMS** and Excise staff* shortages may lead to a reduction in some operations, according to the department's annual report. Page 8

● ***AGRICULTURE** Minister* Peter Walker announced plans to cut £34m from the annual cost of capital grants to farmers by 1983-84. **Page 29**

● **BP** is reported to be planning to build a methanol plant in Hull with a production capacity of up to 750,000 tonnes. **Page 7**

● **OIL PRICE** rises planned by Algeria and Indonesia may prompt a new wave of increases by other producing countries. **Page 6**

● **JAPANESE** machine *tool* manufacturer, Yamazaki, is to ste up a sales company in Worcester, which could later become its European manufacturing base. **Page 6**

COMPANIES

● **BMW**, the West German car manufacturer, reports export sales for 1979 up by 11 per cent to *DM3.15bn (£801m)* and domestic sales up by 9.3 per cent to DM3.4bn (£865m). **Page 25**

● **KLM**, the royal Dutch airline, reports third-quarter net losses up to Fl 11.9m (£2.74m) from Fl 9.8m (£2.26m). Alitalia, Italy's national airline, will report a loss for 1979 compared with profits the previous two years. **Page 25**

● **QUAKER OATS**, the breakfast food producer, increased second-half profits by 15 per cent to $20.7m (£9.15m). **Page 24**

● **PAINTMAKING** group, Blundell-Permonglaze, reports an increase in pre-tax profits to October from £1.78m to £2.19m. **Page 20**

● **FIRST-HALF** loss of Reardon Smith, the shipping line, was cut from £1.77m to £1.01m. **Page 20**

CHIEF PRICE CHANGES YESTERDAY

(Prices in pence unless otherwise indicated)

RISES		
Allied Textile	98	+ 9
Bank Leumi (UK)	120	+ 10
Bremner	55	+ 4
Chemring	128	+ 6
Christies Int.	176	+ 9
Edwards (Louis C.)	57½	+ 5½
Hill & Smith	50½	+ 6½
Ladbroke	162	+ 9
Sothebys	487	+ 17
Unitech	248	+ 8
Vaux	150	+ 14
"W" Ribbons	30	+ 6
Lendu Rubber	93	+ 13
embia Rubber	80	+ 16
eLeod Russel	340	+ 21
shton Mining	156	+ 9
nzinc Riotinto	308	+ 20
ko-Wallsend	480	+ 20
nt Piran	65	+ 7
FALLS		
heq. 14% 1984	£96½	− ¼
Excheq. 12¼% 2003-05 A (£25 pd.)	£23¼	− ¼
Allied Breweries	73½	− 2½
Assoc. Engineering	74½	− 4½
Bass	200	− 6
Beecham	123	− 7
Dowty	164	− 9
Glaxo	477	− 13
Grattan Warehouses	100	− 8
Haslemere Estates	284	− 6
Sainsbury (J.)	287	− 6
Stock Conversion	366	− 8
Tate & Lyle	170	− 5
United Biscuits	83	− 4
United Scientific	428	− 7
CCP North Sea	309	− 11
Elsburg	256	− 23
Hartebeest	£26	− 1¼
Impala Platinum	282	− 8
Rustenburg	271	− 13
Western Deep	£17¾	− 1¼

Anti-dumping suits by U.S. steelmakers 'ready next week'

BY IAN HARGREAVES IN WASHINGTON

U.S. steelmakers will be ready next week to go ahead with anti-dumping suits against seven European countries. But they will hold back if the U.S. government *agrees to major fiscal and trade measures to improve sagging profits.*

News that documentation is almost complete for what would be the biggest assault on alleged steel dumping from Europe and *Japan came in a major report* by the industry on its outlook for the 1980s.

The paper, published by the American Iron and Steel Institute, says the industry needs Government help to stimulate its profitability in order to launch a $70bn. (£31bn.) capital investment programme in the next 10 years.

If the Government refuses to help by blocking steel the industry claims is dumped and improving the industry's tax position, U.S. steelmakers forecast the loss of 90,000 jobs in the decade as the U.S. market succumbs to an "invasion" by foreign steel, which, the report says, could take up to 40 per cent of sales in the U.S. by 1988.

The anti-dumping suits are known to have been in preparation for some time by U.S. Steel, the industry's largest company, which earlier this week reported the largest quarterly loss in U.S. corporate history — $561.7m.

Mr. David Roderick, chairman of U.S. Steel, said yesterday that anti-dumping suits against the UK, West Germany, France, Italy, Belgium, Luxembourg and the Netherlands, would be ready for submission to the U.S. department of commerce next week. Suits against Japan *would be completed within 60* days.

The heads of other steel companies, notably Bethlehem and Inland Steel, revealed that they, too, were close to completing preparations for suits. Inland Steel says it will simply revive suits which lapsed under Administration pressure in 1977.

Success of new U.S. steel strategy hinges on State backing, Page 3

Although Mr. Roderick said the industry had not given the Administration any deadline by *which it must respond to the* report's proposals, he and his colleagues are clearly attempt*ing to influence the negotiating* position of the U.S. Government when its special trade representative, Mr. Reubin Askew, travels to Europe for talks with the European Commission on February 18.

It is difficult to see how the Administration can respond quickly to what is a very complex series of proposals.

The industry's demands on trade protection centre on strengthening the trigger-price mechanism — which the U.S. government uses to set minimum prices on foreign steel — by making new rules to control European imports.

The fiscal measures proposed are embodies in a Bill already in draft form which seeks radically to shorten depreciation allowance periods for the whole of U.S. industry in order to reduce corporate taxes and stimulate capital investment. The Administration has so far dismissed the plan as too costly.

In addition, the steelmakers want relief from some Federal anti-pollution regulations and help with devising a coal-based approach to future energy needs. The industry also wants the government to abandon interference in its pricing decisions.

Only with this assistance, the report says, can the industry more than double its capital spending to $7bn a year—a level it says is necessary for the U.S. to recover its competitive position in the world steel industry.

There is great concern at the speed with which steel companies are diversifying into more rewarding sectors, a trend which the report says will leave the U.S. short of steel capacity in the 1980s and vulnerable to prices dictated by foreigners

Edwardes warns unions on eve of ballot

BY JOHN GRIFFITHS

SIR MICHAEL EDWARDES, chairman and chief executive of BL, last night issued a strong warning that rejection of the *company's pay and conditions* offer would mean the end of BL in its present form and "a further massive loss of jobs." He was speaking on the ever of the distribution of ballot papers to 90,000 manual workers.

BL has offered a 5 per cent pay increase with the opportunity to earn up to £15 a week more under a self-financing productivity scheme. *But the* 92-page document setting out its terms also requires further major changes in work practices. These would end the power of shop stewards to control the pace of work and manning levels. The unions have issued pamphlets to all BL's workers urging rejection of the package, which is conditional upon being accepted in full.

Sir Michael, speaking in a recorded BBC television interview due to go out last night, *acknowledged that BL was "asking a lot."* But, he warned, "there is no more cash. This isn't a question of saying we'll make more profit if we keep back money.

"The fact is we're not operating at a profit. We're marginal as a company and we cannot deliver our plan if we give away more in wages than is earned."

The ballot boiled down to the workforce being asked if they would give the unions a mandae to strike. If they did, said Sir Michael, the company would not be able to undertake the corporate plan for which it has received £300m in further government backing. BL would withdraw the entire plan, its structure would be reviewed, and inevitably there would be heavy additional job losses above the 25,000 already being *cut, with major cuts in capital spending.*

Sir Michael acknowledged that it would not be easy for the unions to "abandon years of shop floor control." However it was essential to have greater flexibility and to be able to measure efficiency to bring productivity close to Japanese and West German standards.

The result of the ballot, being conducted by the Electoral Reform Society, is expected to be announced on February 12. Sir Michael sai dthe company would consider the unions had received a mandate for action only if 51 per cent or more of the total work force backed the

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Vaux to sell Scottish outlets

BY JOHN MAKINSON

VAUX, the Sunderland-based brewer, is selling its Scottish tied estate to Ind Coope, the Allied is paying *£20.9m* for *214* public houses, a hotel and a restaurant.

Payment has been made through the issue of 29.65m Allied shares, which were placed with institutions by Cazenove yesterday at 71⁷⁄₁₆p. The Allied share price dropped 2½p to 73½p over the day, while Vaux finished 14p higher at 150p.

Vaux's Scottish subsidiary, Lorimer's, has been losing market share continuously, and profits before interest dropped from £1.7m in 1976-77 to £1.2m in the year to last September. The group therefore decided to close its brewery but first approached Ind Coope to see *if a deal could be struck.*

The Lorimer's brewery, at St. Leonards, Edinburgh, is to be closed anyway with the loss of about 200 jobs. Mr. Paul Nicholson, chairman of Vaux, said that up to 370 jobs might have been lost if his group had carried out rationalisation.

The proceeds of the sale would enable a "thank you" *payment to staff, in addition to* normal compensation.

Allied will serve the new outlets in part from its Alloa brewery, which has considerable spare capacity. Until now, the group has had only 40 pubs in Scotland and has relied on the free trade to compete with the major brewers in the *country, Bass Charrington and* Scottish and Newcastle.

The book value of Lorimer's is £21.1m and the price may be adjusted to accommodate any changes in the net asset value up to completion. The sale will go through if the office of Fair Trading does not refer the deal to the Monopolies Commission.

Vaux said it will reinvest the sale proceeds in its North of England activities and will soon repay short term borrowings and strengthen liquidity.

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Unions meet BSC about pay talks

BY ALAN PIKE, LABOUR CORRESPONDENT

LEADERS OF the two main unions involved in the month-long *national steel strike* met British Steel Corporation representatives last night to see whether they could establish enough common ground to resume pay negotiations. The new talks come as Metal Box said that the steel strike would force it to lay off about 1,000 workers from Monday.

The exploratory talks between BSC, the Iron and Steel Trades Confederation nad the National Union of Blastfurnacemen were taking place on undisclosed neutral ground.

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BSC has *already* agreed the basis of its proposed productivity schemes with craft unions. The ISTC and Blastfurnacemen agreed to meet the corporation after the intervention of Mr. Len Murray, TUC general secretary.

Mr. Bill Sirs, ISTC general secretary, has stressed repeatedly that there has to be *sufficient money on the table* before he recalls his union's negotiating committee for formal talks with BSC.

Yesterday's development came after the House of Lords appeal committee granted the ISTC leave to appeal against last week's Court of Appeal decision that the union could not draw members working for *private steel companies into the* strike.

The appeal will be heard this morning, though the Law Lords do not usually sit on Fridays.

The appeal committee did not require Mr. John Melville Williams, QC, for the ISTC, to argue for the right to challenge *the decision in the Court of* Appeal by Lord Denning, Master of the Rolls, and two other judges against involving men working for private companies in the strike.

The Court of Appeal refused the union leave to take the case to the Lords. The 16 private steel companies which initiated the action did not *challenge the appeal application* yesterday.

Private-sector steelworkers joined the strike on Sunday, but most have returned to work after an ISTC executive instruction to comply with the Appeal Court decision. Mr. Sirs said that the decision by the Law Lords would be vital "not only for us but for the whole trade *union movement.*"

The Metal Box lay-offs, some of the first outside the steel industry because of the strike, are to be at the company's Neath, West Glamorgan, factory.

The company says that it has received no tinplate since before Christmas, and that picketing has caused further *difficulties.*

Metal Box supplies 70 per cent of cans used in the British food market, but the Food Manufacturers' Association says there are enough supplies to maintain present levels of tinned food stocks for about a month.

The Transport and General Workers' Union declared *official a strike by 750 members* at British Steel Corporation (Chemicals) in Yorkshire, who negotiate separately but have, says the union, been made the same pay offer as the steelworkers.

Soviet warning to Zia

BY OUR FOREIGN STAFF

THE SOVIET UNION yesterday issued a veiled warning to Pakistan that it will be in danger unless it forbade the use of its territory by "tens of thousands of mercenaries" in "an undeclared war" against Afghanistan.

The warning, in Pravda, the Communist Party newspaper, coincided with the start of a visit to Pakistan by Mr. Zbigniew Brzezinski, President Carter's National Security Adviser.

Mr. Brzezinski is expected to tell General Zia ul-Haq, Pakistan's military ruler, that the U.S. shares Pakistan's concern *about the possibility of Soviet* aggression but is reluctant to increase further its aid offer or security commitment to the country.

In New Delhi, Mr. Clark Clifford, President Carter's special envoy, emerged from a meeting with Mrs. Indira *Gandhi, the Indian Prime* Minister, saying that a Soviet push towards the Gulf from Afghanistan would trigger a war with the U.S.

In Brussels, Mr. Roy Jenkins, President of the European Commission, said that the Soviet Union should not be allowed to drive a wedge between the Community and the U.S. over the *Afghanistan invasion.*

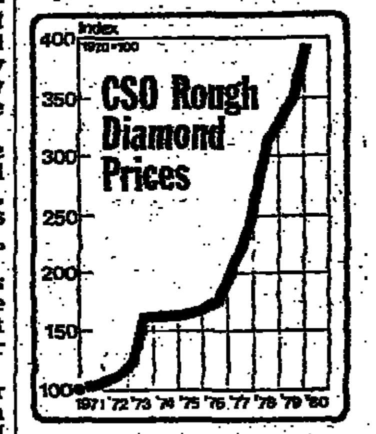
Price rise for large rough diamonds

By Kenneth Marston, Mining Editor

PRICES of large rough diamonds *are to* rise sharply from February 18. In some cases the increases could amount to 40 per cent.

The rises will apply to stones weighing more than one carat—roughly 5 per cent of the market by volume, but many times more in terms of value—marketed by the Central Selling Organisation on behalf of De Beers and other producers.

The organisation's sales are about 85 per cent of world production. The increases are equivalent to an average 12 per cent rise for all rough diamonds.



Prices were last raised in September, by an average 12 per cent, and in August 1978 by 30 per cent.

Most retail prices for polished jewellery should not be affected by the latest increases. There is already a surplus of small diamonds of the sort used predominantly in jewellery.

Prices for small gems have eased over the past six months. The jewellery trade is more concerned at the rising price of gold.

The increases for large stones will vary according to their quality and size.

Some of the largest rough diamonds could rise in price by anything up to 40 per cent.

Demand remains good for the larger stones of good quality and colour, which tend to be bought as a store of value in much the same way as bullion has been sought as

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£ in New York

—	Jan. 30	Previous
Spot	$2.2625-2635	$2.2640-2660
1 mth	1.05-1.00 dis	0.58-0.53 dis
3 mths	2.04-1.99 dis	1.71-1.66 dis
12 mths	4.15-4.00 dis	3.55-3.40 dis

هكذا من الأصل

Bonn confident of meeting oil import target

BY OUR BONN STAFF

WEST GERMANY believes that it can keep within the oil import *limit to which it has committed* itself for 1980 without taking further energy-saving measures.

That emerges from a policy paper prepared by the Economics Ministry and put before the Cabinet on Wednesday.

In 1979 West Germany, in common with most other members of the International Energy Agency, failed to meet *the jointly agreed target of a* 5 per cent cut in oil consumption for the year.

In December the IEA member states made a more detailed commitment for the year 1980-1985, agreeing not to surpass precise net import levels for crude oil and oil products together.

The West German target for this year was set at 143m tonnes compared with the actual import level of 145m tonnes of 1979. The Economics Ministry estimates that the slackening of domestic growth this year, combined *with an oil import and* production figure last year which exceeded consumption, will probably allow this target to be met.

The forecast does not rule out the possibility that new savings measures will be introduced to try to cut oil imports still further. But the policy paper shows satisfaction at the impact of savings so far compared with *other countries.*

It stresses that the total consumption of mineral oil last year was only just above that of the previous record year, 1973, even though West Germany has since had real economic growth of 15 per cent and there are 6m more vehicles on the road.

The paper also reports that at the end of last year West German mineral oil stocks totalled 36.7m tonnes, an increase of 10.4 per cent on the figure at the end of 1978 and sufficient for 120 days supply.

Taking a new look at monetary policy

BY JONATHAN CARR IN BONN

WEST GERMANY'S emergence as a current account deficit country is forcing a reassessment by some of its senior monetary authorities of policy priorities at home and abroad. The long-standing West German fear of a growing role for the Deutsche Mark as a reserve asset is gradually giving way to concern about how the strength of the currency can be maintained.

It is agreed that the current *account performance* is not the only factor determining the level of the Deutsche Mark. The domestic inflation rate is important too. And here the performance still remains relatively good, though far from satisfactory to the West Germans themselves. But large *deficits*, it is argued, tend at least to slow the appreciation of a currency and lay a country more open to imported inflation than it otherwise would be.

The increased import *bill* itself helps contribute to a continued deficit, bringing a vicious circle which is precisely the opposite of the situation to which the West Germans have been used for years.

This has been very much the story of the West German current account deficit in 1979—the first since 1965 and only the fourth in the country's history. The deficit of DM 9bn (£2.3bn) *(which, to maintain perspective,* is less than 1 per cent of GNP) is due not to a West German export failure but largely to a surge in imports. This has been caused, in particular, by the big increases in the price of oil and other raw materials.

West German exports in real volume terms rose by 7 per cent last year and imports by 9 per cent, but in value terms exports *rose by 10 per cent and imports* by no less than 20 per cent. The upshot was a visible trade surplus of only DM 22.5bn (£5.75bn) which, in contrast to previous years, could not make up for the country's traditional deficit on invisibles.

Indeed, this deficit on services and transfers—caused among other things by West Germans holidaying abroad and by payments home by foreign workers here—itself increased, thus pushing the current account further into the red.

Had the Deutsche Mark been appreciating powerfully as it did in past year, then much of the increase in import prices could have been offset. True, there was temporary upward pressure on the Deutsche Mark *within the European monetary* system resolved bya 2 per cent D-mark revaluation within the system resolved by a 2 per cent much of the year there was a tendency for the currency to depreciate against those of West Germany's major trading partners in real terms—that is, after allowing for inflation rate differentials.

The sharp rise in the price *of imports naturally* worked through to the cost of living, pushing up the average inflation rate for 1979 to 4.1 per cent, compared with 2.6 per cent in 1978. At present the monthly figures, compared with the same *month a year earlier*, show a rise of more than 5 per cent and it is against this background that some trade unions have been demanding wage increases of 10 per cent or more.

The conclusions that monetary authorities are starting to draw from this are as follows. It may well be that this year's wages round will produce reasonable settlement in the circumstances averaging 7 per cent or so. But can trade unions be expected to show similar restraint next year, too, if in the meantime *inflation markedly increases?*

The Government officially says it expects the inflation rate to average 4.5 per cent this year, but some senior monetary officials frankly describe this as optimistic. The imported oil bill this year is expected to be about DM 65bn—roughly 4 per cent of GNP—and the current account may well be heading for a deficit of close to DM 20bn.

In these circumstances, it is felt, the policy must be actively to seek to keep the curency *strong*. In a world of high interest rates this means that West German *interest rates*, too, must remain high to help attract inflows of foreign capital, or at least to try to stop outflows. The problem is that with some domestic economic downturn in prospect, the Bonn Government might prefer to see interest rates coming down in *the course of the year.*

There is thus the prospect of a potential—it is at present no more than that—conflict of priorities between the independent Bundesbank, guardian of the currency, and the Government.

There are wider implications *too. For some years*, West German authorities have watched with growing concern the rise of the Deutsche Mark as a reserve asset, arguing that the country was ill suited to assume such a role and that control of domestic money supply was made more difficult.

On the one hand, this meant pressure on the U.S. to balance its payments, cut inflation and thus help achieve a stable dollar, the world's key reserve currency. On the other, it meant active support for the search for a new international reserve asset which could absorb some of the world's surplus dollars and relieve some of the growing pressure on the Deutsche Mark.

One of the best prospects seemed to lie in a new asset denominated in Special Drawing Rights to be issued through a so-called "substitution account" of the International Monetary Fund (IMF).

Virtually no one imagines *that the West German current* account deficits will persist indefinitely. But at present their existence appears to be undermining support for the IMF scheme. Some West German officials are continuing to work for the success of the substitution account.

But others, equally *influential*, feel the scheme may be stillborn, and show little regret at the prospect. They believe the substitution account may well receive approval in a formal sense at IMF meetines this year, but, in practical terms, they feel that will mean little if the U.S. *Congress does not give* its blessing.

They expect Congress to be unenthusiastic and that the U.S. *Administration* will not force the issue—not least because Mr. Anthony Solomon, the official most keen on the substitution account idea, will *shortly be leaving to take up* another post.

The upshot of this analysis is that the world will be stuck with the dollar as a reserve asset, unless the Europeans can jointly produce a challenger to it in the ECU. For the time being, at least, the pressure on the Deutsche Mark *as a* reserve currency is felt to be off.

> It is felt that the policy must be to seek actively to keep the currency strong. In a world of high interest rates this means that West German interest rates, too, must remain high to help attract foreign capital.

Swiss face big rise in defence spending

By Brij Khindaria in Geneva

SWITZERLAND runs the risk of being transformed into a battleground in a future war and should greatly increase its spending on defence during *the 1980s*, the Government has told Parliament.

In a report examining the state of the country's defences, the Federal Council says the size of invading forces entering Switzerland in a future war would be so great that "the entire territory could become a vast battlefield."

In addition to depending heavily on imported raw materials for its economic well-being, Switzerland is a hotbed of international espionage. The economy is especially vulnerable because more than 85 per cent of the energy requirement comes from abroad, the council says.

Defence spending has risen by SwFr 4bn (£1.1bn) between 1975 and 1979. This represents a 28 per cent increase compared with expenditure during the previous five years.

Military spending last year accounted for SwFr 3bn of the SwFr 3.7bn total defence budget, equivalent to about 2 per cent of the country's gross national product.

The council says that detente has deteriorated considerably because of the increasing size of arsenals in the United States and Russia and also in Europe. The situation has been made more fragile by economic problems.

The council notes with apprehension that the Warsaw Pact's superiority in conventional weapons over the NATO allies *has* increased the likelihood of the use of strategic nuclear weapons.

The report brings up to date a similar document published in 1973 and will be followed by a more detailed study in 1985, when the Government plans to make proposals *to Parliament to* revamp Switzerland's defences.

Switzerland has only a small regular army and relies mainly on a compulsory draft for all able-bodied citizens.

The country has a large network of underground air-raid shelters, including command and *supply* centres as well as hospitals, designed to withstand nuclear weapons. Construction was begun in 1974 and *enough shelters will be* available for the population of 6m by the end of the 1980s.

France 'sends army aircraft' to aid of Tunisians

BY DAVID WHITE IN PARIS

FRENCH MILITARY transport and helicopters were reported yesterday to have been sent to Tunisia to help the Tunisian Army restore control over the provincial town of Gafsa after last weekend's abortive siege.

France is believed to have three Transall aircraft and two Puma helicopters in Tunisia. Apart from this logistical support, sent unannounced, a regiment of France's 11th Para-*chute Division* was reported to have been placed on alert.

Tension has shifted from the military to the diplomatic sphere, after Tunisia directly accused Libya of backing the rebels. Tunisian representatives have been recalled from Tripoli, and members of Libyan diplomatic and cultural missions in Tunis have been asked to leave.

M. Hedi Nouira, the Tunisia's Prime Minister, ruled out any *suggestion that the Algerian* authorities might have been involved, although the attackers apparently entered Tunisia from Algerian territory.

The Libyan Government expressed its "astonishment" over the charges made by M. Nouira. It "greatly deplored" *the sharp diplomatic riposte*, which stops just short of a complete break in relations.

Three French warships, which sailed in haste from Toulon earlier this week, were staying clear of Tunisian waters and were officially said to be cruising off Crete.

The rapid despatch of the warships—a missile-carrying cruiser, anti-submarine frigate, and high-speed escort vessel—was evidently aimed at demonstrating France's capacity to intervene at short notice

The ships were originally *reported to be heading for the* Gulf of Gabes, the closest coastline to Gafsa, and an area where Tunisia and Libya dispute oil exploration rights. French submarines *which also* left Toulon on Monday were said not to be part of the manoeuvre.

France has no specific defence *obligation to Tunisia, but has* various co-operation agreements covering training and arms supplies. Relations within the former protectorate have been good *since* France resumed financial aid in 1968.

The transport aircraft were sent at Tunisia's request, in the same way that Transalls were sent to ship Moroccan troops and arms to Zaire in April, 1977 to quell the first Shaba rebellion. In the second rebellion, last year, Fra intervened directly.

In Gafsa, Tunisian forces continued their mopping-up operations. *The fighting, in which* the official death toll is 41, has brought to a head a series of incidents between Tunis and Tripoli, after Tunisia's President Habib Bourguiba refused to go *through* with plans for uniting the two countries, made at Djerba in 1974.

Official reserves double

BY ROBERT MAUTHNER IN PARIS

FRANCE'S OFFICIAL gold and foreign currency reserves have risen by more than 100 per cent over the past two years, mainly because of the sharp rise in the price of gold.

The country's total reserves stood at FFr 217bn (£23.7bn) on January 25, against FFr 106bn at the beginning of 1978, and are now the third biggest in the world, after those of West Germany and the U.S.

The Bank of France's present gold stock totals 3,200 tonnes, valued at FFr 169bn . Sinc 1975, the gold reserves hav *been subject to a new valuatio* every six months, based on th average price in dollars of an ounce of gold on the London market during the previou three months.

Call for new-technology agreements within EEC

BY JOHN WYLES IN BRUSSELS

MANAGEMENT and unions in the EEC are urged to negotiate collective agreements covering the introduction of new computerised technology, in a *document summarising* the European Commission's latest thinking on the impact of micro-electronics.

Produced for *member-governments* and the Community's Employment Committee, the document is optimistic about the probable social impact of the new technology.

The Commission does not believe that computerisation will necessarily lead to a net loss of jobs.

The paper sees the new *technology offering opportunities* for reducing both overtime and days worked. But it says the technology will create the need for improving job satisfaction, and for measures to avoid worker alienation stemming from more impersonal production processes.

Community wide responses to problems created by new technology will need to be developed, and these will have to *create the smoothest possible* conditions for innovation, including closer dialogue between management and workers in individual companies.

Spanish trains hit by strike

MADRID — Train services throughout Spain were paralysed by a 24-hour national rail strike yesterday called to press *demands* for better pay and working conditions, RENFE, the state-owned railway company, said.

Unions called the *stoppage* aftr rejecting a 10.8 per cent pay increase. They have demanded 16 per cent. Twelve international services were among those cancelled.

Teargas halts Breton N-protest

BY TERRY DODSWORTH IN PARIS

RIOT POLICE used tear gas yesterday to break up a demonstration against a planned nuclear power station at Plogoff, on the Brittanny coast, near Finistère.

The demonstration was the *culmination of five years' local* antagonism to the power station which will be sited close to one of France's beauty spots. The opposition has attracted the support of several councillors, led by M. Jean-Marie Kerloc'h, Plogoff's mayor.

According to M. Kerloc'h 500 riot police were sent to the area to ensure that a public inquiry could take place. When proceedings started yesterday the police were opposed by demonstrators who erected a barrier of burning car tyres in the middle of the village.

Another demonstration is planned for Sunday and M. Kerloc'h said the fight against the central authorities would be continued whatever force they used.

AP reports from Paris: The regular half yearly meeting between President Valéry Giscard d'Estaing and Chancellor Helmut Schmidt of West Germany will be held on Sunday. The two countries' *Foreign Ministers will also take* part in the discussions.

Replacement for Austria N-plant given go-ahead

By Paul Lendvai in Vienna

THE GO-AHEAD has been given for a coal-fired power station costing Sch 7.2bn (£255m) at Duernrohr in Lower *Austria*, only three miles from the Zwentendorf nuclear station whose commissioning was blocked at a referendum 16 months ago.

A decision will be taken at the beginning of March whether the £300m nuclear plant should be scrapped or preserved for possible future use. Estimates for converting it into a conventional plant vary widely between Sch 2bn and Sch 5bn.

The Duernrohr project will consist of two plants. The first, with a capacity of 380 MW, will go on stream in the autumn of 1984 and the second, with a 320 MW capacity, will be completed 10 months later.

The power station will burn coal from Poland which is to supply 1m tonnes a year. In return Austria will grant Poland a $300m (£133m) credit *line. Austrian Federal Railways* will also receive a Sch 500m loan to finance the purchase of large freight waggons to transport the coal from Poland.

EEC to distil part of 'wine lake'

The Common Market plans to distil up to 175m gallons of surplus wine from its near-record 1979 harvest into industrial alcohol, the EEC Commission said yesterday, Reuter reports from Brussels. It has proposed spending about £57.8m *in subsidies for producers* to distil the wine. In 1979, the Community produced 3.7bn gallons of wine—only 65m gallons short of the 1973 harvest.

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Work stoppage at Polish Baltic port of Gdansk

BY CHRISTOPHER BOBINSKI IN WARSAW

AROUND 100 employees at the Gdansk shipyard, on Poland's Baltic coast, stopped work yesterday in solidarity with Ms. Anna Walentoimowicz, a crane driver and a member of the Gdansk Free Trade Union, whom the authorities are trying to transfer to another factory outside the city.

According to members of the "KOR" human rights group the four-hour stoppage came in the pre-fabrication workshop and ended when the foremen promised that Ms. Walentoimowicz would be reinstated.

The men in the department have pledged to continue the strike from this morning, if Ms. Walentoimowicz, *who has* worked for the yard for 20 years, is not re-employed.

The stoppage comes after workers at the Elektromontaz plant in Gdansk *met on Wednes*day to demand the withdrawal by the management of dismissal notices for 25 men at the works.

Last week, a five-man "*workers' commission*" backed by about 170 men at the 500-strong plant was set up to fight the dismissals which are aimed at those who took part in a street meeting last December.

In December, about 4,000 people, many of them workers, gathered at the Number Two gate at the Gdansk shipyard to commemorate those who died in demonstrations against food price rises in 1970. The ceremony was organised by, among others, the small Gdansk Free Trade Union which was set up in April 1978, and the sackings are evidently aimed at weeding out the union sympathisers.

A member of the Elektromontaz Workers' Commission, Mr. Lech Walesa, who himself once worked at the shipyard and was one of the organisers of the 1970 strike there, was told that the Elektromontaz management are planning to dismiss over 100 men.

The Elektromontaz workers are also demanding that any future dismissals should be discussed with a shop floor committee elected for the purpose and that those dismissed should be found work elsewhere with the same pay and privileges.

Another demand is that wages should be increased quarterly to match the rise in the cost of living. The "KOR" group has appealed to trade unions around the world to intervene on behalf of those sacked.

Big rise in cost of fuel for U.S. forces

By Leslie Colitt in Berlin

A STEEP price rise which more than doubles the cost of fuel used by U.S. armed forces around the world goes into effect today. But a U.S. Defence Department official in West Germany says there will be no reduction in either operations or exercises by the U.S. army and air force commands in Europe.

The increases are expected to cost the military one of the U.S.' largest consumers of petroleum, hundreds of millions of dollars more in the remaining eight months of the current fiscal year.

Mr. George Marienthal, deputy Assistant Secretary of Defence for Energy who is visiting West Germany, said that if the armed forces were to restrict operations and training it would be "cutting into bone and muscle." There were no plans to reduce "flying hours, sailing days or army training operations."

Aviation jet fuel JP8, mainly used by the U.S. air *force in Britain will rise in* price from 83 cents to $2.32 a gallon. JP4, a jet fuel used by the air force in central Europe goes up from 55 cents to $1.18. Diesel oil for tanks and other heavy vehicles rises from 61 cents to $1.29.

A spokesman for the Comptrollers Office of the U.S. army headquarters in Heidelberg estimates the added *cost of fuel* for the army in Europe would range between $90m and $125m in the next eight months.

Major Kevin Sullivan, management officer at Heidelberg, said the sharp fuel price rises were necessary to recover previous losses incurred by the Defence Logistics Agency and to cover current buying costs, as well as anticipated future costs. For months the army has been paying less than the actual cost of the fuel it has been consuming, he said.

The price of so called Mogas, or petrol for army and *air force cars and trucks*, was originally set to rise from 59 cents a gallon to $1.84, but this was readjusted to $1.26 a gallon.

COMMUNISTS SEE GOVERNMENT ROLE RECEDE

Afghan issue stirs Italy's political cauldron

By Rupert Cornwell in Rome

Sig. Berlinguer: trying not to take sides.

"YOU KNOW why the Russians invaded Afghanistan? They wanted to stop us doing a deal to allow the Communists into government." That remark by a Christian Democrat politician was, of course, a joke and intended as such. But it does illustrate some basic truths about Italy and its role in the world, which have only been underlined by the latest crisis in East-West relations and the virtual collapse of detente.

One is that, as a rule, Italy does not influence international affairs but is influenced by them; in other words a "low profile," so low that many international affairs experts would wonder whether the country had an active foreign policy at all. Another is that the most far-reaching consequences of upheavals abroad are often to be seen less in the specific field of foreign policy than in internal politics.

Whatever the strategic implications of Afghanistan, there are two overriding concerns in a country whose politicians' eyes are turned resolutely inwards. What effect will Moscow's recent behaviour have on the Italian Communist Party, in the vanguard of what remains of Eurocommunism? And will international events prove a death blow for the belief that the party might be on the verge of implementing the "historic-compromise" of entry into government alongside the Christian Democrats?

If the first question obviously cannot be fully answered yet, the reply to the second, very probably, is yes. This *means* that the immediate prospects for the fragile minority government of Sig. Francesco Cossiga look brighter.

True, the Socialists whose grudging parliamentary support *is essential for its survival*, have indicated that they will press for a government in which the Communists are included. However, the Christian Democrat *congress is due on February 15*, and the long ruling party is most unlikely to go further than emphasising the need to work with the Communists, without offering them ministerial posts. Lengthy all-party discussions will then ensue, and few politicians want to bring down Sig. Cossiga without agreement on what should replace him.

Italy's peculiar situation—a key component of the southern flank of NATO and yet home *of the West's largest and most* influential Communist party—has ensured that the country in many ways has become a sounding board of detente. A return to a virtual Cold War clearly has enhanced the importance of Italy's place in the Western military alliance, while sharpening doubts about the sincerity of its Communists.

The Christian Democrat-led Government in Rome has responded to President Carter's anti-Soviet *exhortations with* an apparent zeal exceeded only by Mrs. Margaret Thatcher, the British Prime Minister, among Washington's European allies.

Sig. Cossiga was in Washington swiftly, proclaiming that a close and enduring friendship with the U.S. was a cornerstone of Italian foreign policy. It could hardly be otherwise. The U.S. Sixth Fleet is based at Naples, the home of NATO's southern military command, while U.S. land and air forces are in the north, not far from the border with Yugoslavia, itself doubly uncertain, given President Tito's frail health.

Even before the Afghanistan invasion, Italy had agreed to the siting of 108 Cruise missiles on its territory, a decision insisted upon by Sig. Cossiga at considerable political risk to his administration. Since the invasion, it has *noticeably cooled* economic ties with Moscow, despite the importance of the Soviet Union as a trading partner and as a supplier of *almost 6 per cent of the country's* crude oil requirements last year.

The most visible move has been to stall negotiations on a *planned* $1bn export credit agreement to *finance Italian* sales to the Soviet Union. Other steps, too, are under consideration, though with a caution stemming from an understand*able concern about jeopardising* trading exchanges which totalled L4,500bn (£2.47bn) in 1978.

Italy's peculiar situation, as a key component of NATO's southern flank and yet home of the West's largest and most influential Communist party, has ensured that the country has become a sounding board of detente. A return to a virtual Cold War has enhanced the importance of Italy's place in the alliance, while sharpening doubts about the sincerity of its Communists.

As far as other links between Italy and the Eastern bloc are *concerned, Rome has been try*ing to move in step with its other partners (except Britain) in the EEC, of which it is president for the first six months of this year. *On the Olympic issue*—the present *touchstone* of East-West relations — the Italian Government has carefully avoided making recommendations and has passed the question of participation in the Moscow Games to a meeting of the Community's various national Olympic associations.

It is open to doubt whether Italy, for all its good intentions, could play a particularly significant role as midwife to a joint EEC response to the Soviet Union. Apart from the weakness and uncertain life expectancy of any Italian Government, no one in Rome is under any illusion about the preponderant role of France and West Germany in EEC affairs today.

Inevitably, silence surrounded the one thing everyone really wanted to know about the Carter-Cossiga meting: what did the Americans say about Communist participation in Government? Apparently, Washington has not changed its disapproving stand while stressing that it is a purely internal Italian affair.

But it is plain that no U.S. President whose chances of re*election hinge on the popularity* of a tough anti-Soviet stance is going to be happy to see Communists, however democratic and *friendly they appear*, enter the Government of a key NATO ally in the middle of a new Cold War.

Ultimately, however, the matter will be resolved by changes within the Communist party itself—and the Afghanistan episode may prove to have been a turning point. Sig. Enrico Berlinguer, the leader, himself described *his party's* condemnation of the military take-over as its most serious foreign policy divergence with Moscow.

In the European Parliament, moreover, the issue found the Communists at one almost with the West German Social Democrats of Chancellor Helmut Schmidt. *In Italy, at least*, the close affinities between the positions of the Communist party and the atlanticist ruling party of Western Europe's strongest nation has been made much of.

At this delicate juncture, those Italian politicians who argue that only with help from the Communists can the country's deep-seated economic and social troubles be tackled, insist that nothing must be done to force them back towards Moscow and isolation.

After the ringing denunciations of Soviet behaviour over Afghanistan and the exile of Dr. Sakharov, the leading Soviet dissident, there might appear to be little danger of that. But the Communist party stand has created turmoil among rank and file activists, fearful that it might portend the complete abandonment of what revolutionary commitment still remains in the party.

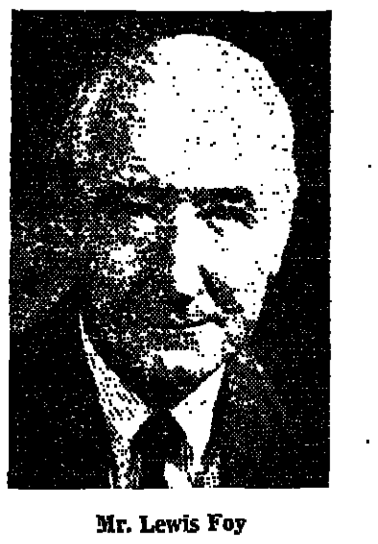
As Sig. Pietro Ingrao, perhaps the Communist leader most respected by the militant, put it recently: "There are comrades who think like this on Afghanistan: the world is split into two camps, and you can't be neutral any longer, you must take sides. However much we don't like it, our place is with the Socialist countries."

But he stresses, it is not a question of taking sides, and Sig. Berlinguer has coupled his attack on Moscow with strong criticism of the United States fori ts reprisals. The watchword for the Communists now is "equidistance" between the two blocs.

This strategy of the Communists, *in terms of detente* as well as of quelling the doubts of its own followers, may have much to comment it. The trouble is that people are taking sides. *And anything less htan* total fidelity to the U.S. is seen as serving—in practice, hte real interests of Moscow.

Ian Hargreaves in Washington on the U.S. steel industry's plight

Success of new strategy hinges on State backing



Mr. Lewis Foy

U.S. STEELMAKERS have long possessed a reputation as one of the noisiest and dissatisfied groups in American industry. *Politically one of the better rep*resented business groups in Congress, the industry's case for a better deal from Washington has been voiced with a *vehemence which has ebbed and* flowed over the years only with profitability and the roller-coaster of the steel market.

Yet in spite of public familiarity with this general sense of grievance, the steelmakers have never—as Mr. Lewis Foy, chairman of both Bethlehem Steel and the American Iron and *Steel Institute, said yester*day—"got its act together" and spelled out comprehensively its cases and its demands.

Now he says that has *changed. With a 90-page report* entitled "Steel at the Crossroads" in his hand, Mr. Foy was able to claim yesterday: "We've gotten our act together—and *here's the script.*"

The script's argument is that the U.S. steel industry needs to expand its raw steel capacity by over 6 per cent in the next decade, and to spend around $7bn a year to finance expansion and modernisation.

It says the task will be impossible if the U.S. Government fails to come forward quickly with a package of measures. These measures, it adds, must protect American steelmen from unfairly priced imports, especially from Europe, stimulate profitability and thereby capital generation by a series of tax breaks, improve the industry's access to cheaper and more reliable energy sources and increase its freedom from the full weight of Federal environment protection laws.

If the Government refuses, the report forecasts that within a decade imports will gobble up 40 per cent of the market (against under 18 per cent now), that 90,000 jobs will go and that the U.S. will run up a trade *deficit in steel to rival its oil* deficit.

The programme of action is as follows:

● Imports: The industry wants three changes to the Government's trigger price system, which since 1978 has set minimum prices below which it is *illegal for foreign steelmakers* to sell into the U.S. market. In future, the report says, there should be some kind of two-tier system to put a higher minimum *price of European steel imports* to reflect higher European production costs (at the moment figures are based on Japanese costs).

The mechanism should also be made to reflect foreign steelmakers' home prices to prevent sale in the U.S. at less than domestic prices. The third *change would be to bring special* steel, such as stainless and electrical steels, under the umbrella of trigger prices.

The report also strongly urges *the Government* to pursue with more determination those who violate the rules by prosecuting and fining them. "All that is required is the political will," it says—reflecting frustration at the Government's failure to take action against European or Japanese steelmakers up to now.

● **Fiscal policy:** The industry *wants help to more than double* direct investment in productive steel facilities to $4.9bn a year. In total, including pollution fighting expenditure, the report says $7bn a year will be needed *in the next decade*. It proposes

—Shortening the standard depreciation period for steel equipment from 15 to between three and ten years, according to the type of equipment. This *would substantially reduce tax* liabilities and bring the U.S. closer to depreciation practices in other major steel countries.

—More flexible and generous *investment tax credits.*

—Lower basic corporate tax rates.

● **Environment:** U.S. steel companies have been paying around $600m a year to meet higher Federal environment protection laws, many of which the industry feels are needlessly stringent. It wants a more cost-effective approach *in framing* new rules,and says that existing laws should be reappraised with an emphasis on human health rather than on such *blanket provisions as the ruling* that all rivers must be capable of supporting fish life. The industry also wants special exemptions from air and water pollution laws for industrial plant with limited life expectancy.

● **Energy:** Steel uses about 5 per cent of U.S. energy. Modernisation would reduce this significantly, but the industry complains of too much Federal intervention in energy development and production, calls for a new policy to encourage coal development.

● **Pricing:** The report pleads for an end to all pricing controls, whether mandatory or (as at present) voluntary. Controls have been irrelevant to the fight against inflation, it says, and have impeded profitability in steel.

If the Government fails to take the industry's advice, the report warns of a gloomy *future*. Continuation of existing trends, whereby the industry has not built a major new plant for over a decade, would mean lapsing from an appalling 40-year replacement cycle to a disastrous 50-year-cycle. Capacity would fall by 20 per cent, imports would jump from less than 20m tons to 50m tons, and 90,000 jobs would be lost—all within the next eight years.

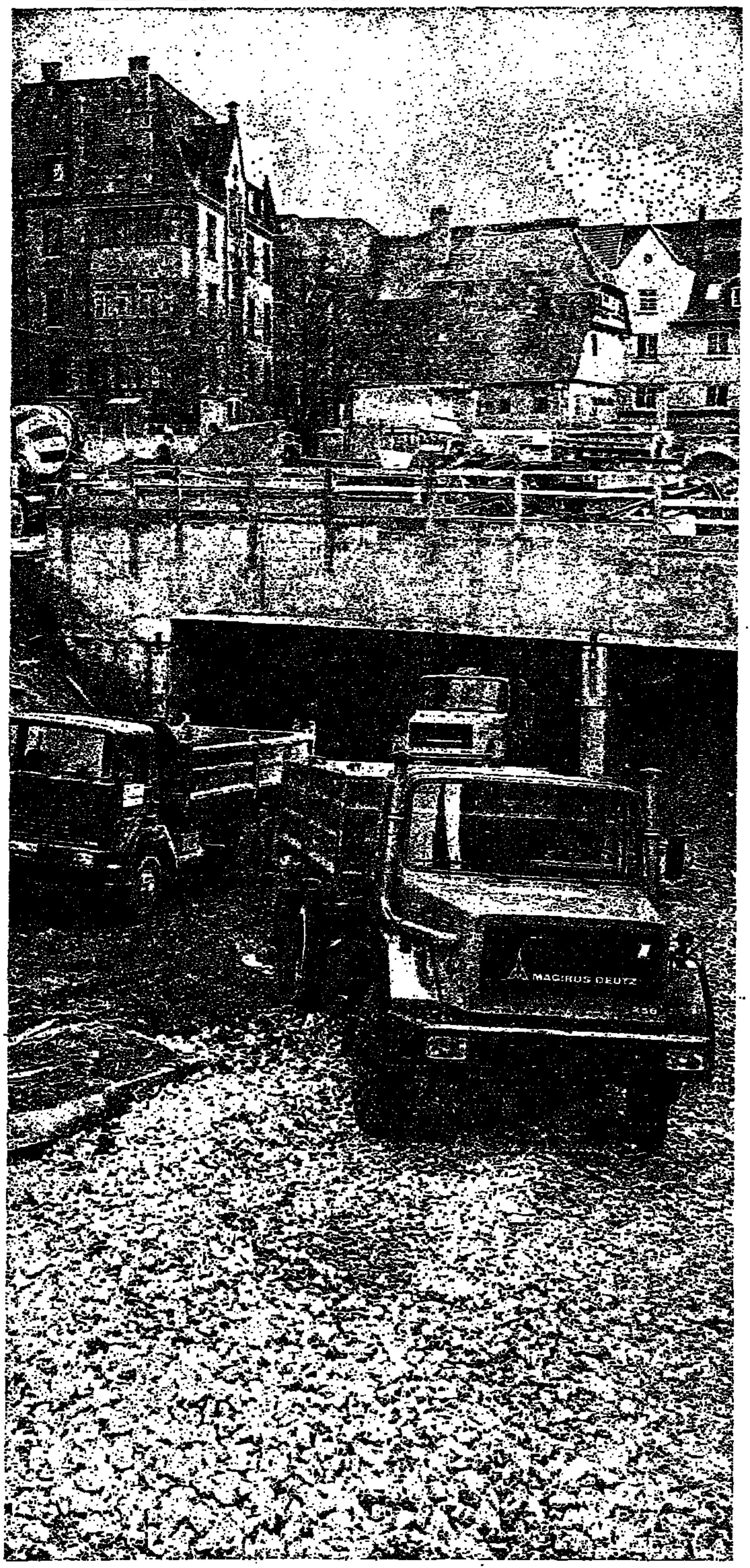
If the Government does deliver the goods, this is what the industry thinks will happen: capital spending of $7bn a year will be forthcoming: within the decade, the U.S. *industry will* increase *shipments* by 19 per cent, with much of the increase coming from more efficient con*version of liquid to semi*-finished steel by the installation of more continuous casting machines (which the U.S. currently uses for 15 per cent of *steel production compared with* 46 per cent in Japan).

In addition there would be some new capacity, obsolete open hearth steelmaking equip*ment (still representing 15 per* cent of U.S. output) would be eliminated and half the industry's coking facilities would be renewed. Labour *productivity would rise by 20* per cent, and asset replacement be on a 25 year cycle. Profits would once again be adequate to fund the industry's future.

THE WAY AHEAD

	1978	1978-88, with government help	1978-88, on present *trends*
Annual capital spending	$2bn	*$4.9bn	$2bn
U.S. steel consumption (tons)	117m	134m	134m
U.S. steel shipments (tons)	98m	117m	85m
Imports (tons)	21m	20m	50m
Exports (tons)	2m	3m	2m
Share of market held by imports (per cent)	18	15	40
Raw steel capacity of U.S. industry (tons)	158m	168m	130m
Employment in steel industry	*449,000*	*427,000*	*360,000*
U.S. steel trade deficit (at $400 per ton)	$7.5bn	$7bn	$20bn

* Direct investment in steel.
All figures in 1978 dollars.



Oil production in Mexico may double to 4m b/d

BY WILLIAM CHISLETT IN MEXICO CITY

MEXICO is thought to be considering a sharp change in its present oil policy which could double the country's oil production over the next three years to around 4m barrels a day (b/d). This would take Mexico, which is not a member of OPEC, to output levels on a par with some of the world's leading exporters.

The Government is expected to decide officially in April. If and when the increased production is agreed, it will have important repercussions for Mexico's fast-expanding economy and for oil supplies generally. The decision itself would stem from the Mexican Government's growing financial and social problems.

Both Pemex, the state oil monopoly, and the Government are keeping quiet about the issue, which has sparked considerable debate in Mexico and understandable interest in the U.S. Mexico's northern neighbour takes about 85 per cent of the country's present oil exports of 700,000 b/d, and would obviously be interested in more from so safe and convenient a source.

Pemex has only confirmed that the Government's oil target of 2.25m b/d would be reached during the first half of this year and that production would be 2.5m b/d by the end of the year. The 2.25m figure (of which 1.1m b/d is earmarked for export) was to be fulfilled by 1982 when this target was set in 1977, but was brought forward to 1980 because of the speed with which new discoveries were being made. Production has doubled in the past three years to 1.9m b/d, and proven reserves have increased seven-fold to 45.8bn barrels, the sixth largest in the world.

The fact that Mexico's oil is coming on stream far quicker than expected, and the recent visit of Sir Y. K. Pao, Hong Kong-based magnate in the tanker business who is interested in building up an oil fleet for Mexico, has nevertheless lent credence to the reports of proposed oil production increase to 4m b/d by the end of 1982, when the present Government's term of office ends. Such an increase would not be impossible technically, although it would involve laying-in more infrastructure and flaring millions of cubic feet of excess gas.

On the other hand it would appear to fly in the face of Government thinking for the past three years. President Lopez Portillo has repeatedly stressed the dangers of "economic indigestion" which could be caused by flooding the country with petrodollars.

Already the Government is facing growing inflationary problems. This year oil revenue should be $9bn, compared with $3.7bn last year, and the economy's 8 per cent growth is fuelling an inflation rate of over 20 per cent.

This year's budget deficit is officially estimated at $8bn, thanks in part to continued heavy public sector subsidies. A similar sum will be needed to service $30bn of foreign debt, and 7m tonnes of food imports will be needed, double last year's amount, because of the drastic fall in agricultural production. Meanwhile a population growth rate of 3 per cent a year means that 700,000 new jobs are needed annually to stop the 40 per cent unemployment and underemployment rate from rising.

Airline profits fall 66%

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

SOARING fuel costs have been a major factor in U.S. airline industry profits falling to an estimated $400m (£177m) in 1979, a fall of $800m from the 1978 level.

The Air Transport Association of America, in a preliminary report on U.S. airline activity last year, says the estimated profit of $400m will be down 66 per cent on the 1978 level, and represents a profit margin of only 2 per cent on revenues of $26bn.

This was the biggest drop in earnings in the industry's history, and was due fuel costs rising by 100 per cent, from an average of 40 cents a gallon to 80 cents.

The industry's 1979 fuel bill rose by $2.5bn, to $6.5bn, and is expected to rise further this lea to $10bn despite improved fuel efficiency.

Further Moscow warning to Islamabad

BY DAVID SATTER IN MOSCOW

THE Communist Party newspaper Pravda issued a veiled warning to Pakistan yesterday that it will be in danger if the use of its territory by "tens of thousands of mercenaries" in "an undeclared war" against Afghanistan did not stop.

In a comment on the trip to Pakistan by Mr. Zbigniew Brzezinski, the U.S. National Security Adviser, Pravda accused the U.S. of trying to pull Pakistan into an aggressive alliance.

"The issue is real aggression against Afghanistan involving tens of thousands of mercenaries using Pakistan and unfolding in the immediate vicinity of the Soviet Union."

The commentary comes the closest to an explicit threat against Pakistan of anything which has so far appeared in the Soviet Press. The newspaper said that the U.S had shown a taste for "playing with fire" and taken risks "in the clear hope that it will not be the United States which will have to pay but someone else."

Pravda said Mr. Brzezinski and his aides were going to Pakistan to create a long-term political base for U.S. intervention in the affairs of the region and that their trip had nothing in common with the goals of peace and stability.

The Pravda comment was also the latest in a series of Soviet Press reports which indicated that the war in Afghanistan is beginning to take its toll.

Soviet correspondents in Afghanistan reported on Monday that the Afghan army was being forced into a permanent state of alert because saboteurs were killing people and destroying communication lines. Moscow Radio reported yesterday that the Afghan army had captured two Chinese military instructors working with the rebels, and the Government newspaper Izvestia reported on Tuesday that two "Lawrence of Arabia type" U.S. agents were stirring up Moslem tribesmen against the Government in Kabul.

Meanwhile the Soviet Olympic Committee has called on sporting organisations to resist the "hostile campaign" aimed at bringing about a boycott of the Olympics. The committee, in a statement released by the Soviet news agency Tass, warned that the proposed boycott, which it called "a hostile act against mutual understanding" could split the Olympic movement.

EEC still considering anti-Soviet measures

By John Wyles in Brussels

Mr. Roy Jenkins, the President of the European Commission, said yesterday that the Soviet Union should not be allowed to drive a wedge between the Community and the United States over the invasion of Afghanistan.

He was delivering a comprehensive statement to the European Parliament's political affairs committee of the EEC's position and of the retaliatory measures taken against Moscow so far.

Mr. Jenkins said that the Community was still studying what other measures should be taken against Moscow. He said he hoped a decision on the banning of official export credits to the Soviet Union would be taken next week.

He also reiterated that the Community would not sell cheap butter to the Russians, would not make up the shortfall in grain sales to Moscow and would onl ysell agricultural products at "realistic prices."

Mr. Jenkins, who discussed the Western response to the month-old invasion with Presiden Carer in the U.S. last week, told the committee:—

"Unless and until the Soviet aggression in Afghanistan is ended, our exports of agricultural produce to the USSR will not exceed what we judge to be traditional quantities."

Herr Willi Brandt, the leader of West Germany's Socialist Party, offered a subtle and evasive keynote speech which distanced him from the Atlanticism of Mr. Jenkins.

"We have to make clear that we are not going to punish the people in the Kremlin by sending them to Coventry. We won't help Sakharov that ways," he argued.

The solidarity the EEC needed to demonstrate, he said, was with the 104 members of the United Nations which had condemned the Sovie invasion. Europe had interests and responsibilities of its own and these required continued negotiations with the USSR on arms reduction.

Detente had been deterioratin Detente had been deteriorating since 1973-74, but at times like this Europe could not waste its contacts with the Soviet Union, Herr Brandt said. "We have to make the most of them."

Sig. Mariano Rumor, for the Italian Christian Democrats, found himself unable to endorse this line, neither could Sig. Pino Romualdi of the Italian Social Movement.

Brzezinski will tread warily in talks with Pakistan leader

BY DAVID BUCHAN IN WASHINGTON

THE U.S. shares Pakistan's concern about possible Soviet aggression or subversion through neighbouring Afghanistan, but is loth to increase its aid or security commitment to Pakistan for fear of upsetting India.

This is the message brought by Mr. Zbigniew Brzezinski, the national security adviser, who is due to arrive in Islamabad today for talks with General Zia ul-Haq, Pakistan's military ruler. Mr. Brzezinski's mission, announced only yesterday so as not to embarrass Pakistan while it was hosting the Islamic Conference earlier this week, is part of a delicate U.S. balancing act in the subcontinent.

Yesterday, Mr. Clark Clifford, President Carter's special envoy, met Mrs. Indira Gandhi in New Delhi, to tell her that the U.S. believed it now to be in the interest of regional stability that Pakistan should receive a limited amount of new weapons.

The Carter Administration has offered General Zia a $400m aid package, split equally between economic and military assistance. The Pakistan President initially called this too little, and India has complained that it is excessive.

Washington has other reasons for not wanting to increase the size of the package. To do so might make it harder to get Congress to waive non-proliferation laws that ban U.S. aid to countries building nuclear weapons, as Pakistan is believed to be doing.

The U.S. also hopes other countries will help Pakistan. West Germany, a NATO ally, has expressed a willingness to do this, and Mr. Brzezinski is also visiting Saudi Arabia in the hope that the Saudis will step up aid to Pakistan.

President Carter has asked Congress to "specifically reaffirm" the 1959 U.S. security agreement with Pakistan. President Zia has pushed for this to be converted into a formal treaty. But a formal treaty might take long to negotiate and even longer for Congress to ratify, and a simple reaffirmation by the U.S. legislature of the 1959 executive agreement would be much simpler and shorter.

The Administration does not want to unravel the 1959 accord, which is, from the U.S. point of view, very conveniently worded. It commits the U.S. to Pakistan's protection in the event of Communist aggression, but not in the event of another of Pakistan's recurrent disputes with India.

Mr. Zbigniew Brzezinski

Gromyko flies to meet Romania President

BY ANTHONY ROBINSON

MR. ANDREI GROMYKO, the Soviet Foreign Minister, who has just returned from Syria, yesterday flew to Bucharest for talks with President Nicolai Ceausescu, of Romania, leader of the only Warsaw Pact country which did not verbally support the Soviet invasion of Afghanistan.

The Bucharest meeting was not scheduled in advance, and the Soviet news agency Tass reported laconically after Mr. Gromyko's departure that he had gone for "a brief visit" at the invitation of the Romanian leadership.

The Soviet Union is understood not to have told its Warsaw Pact partners about its plans to invade Afghanistan, and East European countries have reacted with thinly disguised apprehension to the likely consequences of a deterioration in their own relations with the West.

Romania has, however, been the only country to express this concern openly. Two weeks ago President Ceausescu made a major foreign policy speech in which he described the international situation as being more tense than at any time since the Second World War.

He announced plans to increase Romania's military and defence capability, and called for reinforced national unity.

The decision took on an added significance because, barely one year earlier, Romania had ostentatiously refused to follow the rest of the Warsaw Pact in raising its military contribution, on the grounds that the situation in Europe did not justify any such action.

As in 1968, at the time of the Soviet invasion of Czechoslovakia, Romania's main concern is to preserve its own relative national independence and keep Soviet troops out of the country.

Faced with widespread criticism of its actions in Afghanistan, from the Third World as well as the West, the Soviet Union is now more determined than ever to ensure the loyalty and support of its Warsaw Pact allies, and Mr. Gromyko is expected to impart this message to the Romanian leadership.

It is also worthy of note that Mr. Gromyko's hurried visit closely follows a visit to Bucharest by Mr. David Newsom, the U.S. Under-Secretary of State, who discussed the Afghan crisis and other foreign policy issues with President Ceausescu earlier this week.

France changing views on Olympic boycott

BY DAVID WHITE IN PARIS

FRANCE HAS qualified its position on the Moscow Olympics, after first appearing to be firmly against the boycott urged by the U.S.

M. Jean-Pierre Soisson, Minister for Sport, told the evening newspaper France-Soir that the decision was up to the Olympic Committee, but that France would take part only if the competition were genuinely worldwide

If only Communist countries were represented, France "would have no business" being in Moscow, he said. He also said that if France sent its team to Moscow, athletes would have a "conscience clause" to allow them to withdraw.

The statement contrasts with earlier declarations by M. Soisson in the same newspaper, when he said a boycott was out of the question.

The French National Olympic and Sporting Committee made clear that it had not yet sent its official acceptance of the invitation to participate in the games. It has until May 19 to do so.

The French Cabinet a week ago took the position that the committee was the only competent authority. The Government did not condemn boycott proposals outright, but considered that jeopardising the games was not "the appropriate means" for settling the Afghanistan problem.

After an almost unanimous reaction by French politicians opposing a boycott, backed up by public opinion polls, an increasing number have jumped off the "France will go to Moscow" bandwagon.

The most noticeable was Mme. Simone Veil, the President of the European Parliament and formerly the most popular member of the French Government, who came out in favour of a boycott

Pro-Government politicians are divided. The majority of the Gaullist Rassemblement pour la République favour French participation at Moscow. Among the centrists, most of President Giscard d'Estaing's own small Republican Party are of similar mind.

The Opposition parties, starting with the Communists and followed by the Left-wing Radicals and, with some dissenters, by the Socialists, have reiterated their opposition to a boycott.

India and U.S. fail to agree

NEW DELHI — Mr. Clark Clifford, President Carter's special envoy, said yesterday there would be a war if the Soviet Union were to send troops to the Gulf after its intervention in Afghanistan.

Mr. Clifford, a former U.S. Defence Secretary, told a Press conference here: "We have attempted to get a message to the Soviet Union. The message is: they must know that if part of their plan is to move to the Gulf, that means war."

Mr. Clifford said there would also be "great difficulties" if there were any temptation on the part of the Soviet Union to move into Pakistan.

Speaking after an 80-minute meeting with Mrs. Indira Gandhi, the Indian Prime Minister, Mr. Clifford said: "Our main goal is to take steps that will persuade the Soviet Union to get out of Afghanistan." The Soviet Union must also not go into any other country, he said. Reuter

K. K. Sharma adds from New Delhi: In spite of his two days of talks it is clear that India and the U.S. agree only that Soviet troops should withdraw from Afghanistan.

India wants to use negotiation and persuasion to force such a withdrawal. The U.S. is determined to send the clear message to Moscow that it would if necessary use force to prevent an attack on Pakistan and any push towards the Gulf.

Mr. Clifford said yesterday that the U.S. acknowledged that India had special relations with Russia and he hoped that this would be used to persuade the Soviet Union to withdraw form Afghanistan. But he was equally firm in saying that U.S. was keen to send signals to Moscow that aggression would be repelled.

A major point of difference between the U.S. and India is President Jimmy Carter's decision to send arms to Pakistan since New Delhi feels that such arms have been misused in the past. Mr. Clifford said the U.S. would end arms of such quantity and quality that would enable Pakistan only to check possible Soviet forays from across the border with Afghanistan. They would in no way constitute a threat to India

ENERGY REVIEW

Oil tax: backlash with less sting

BY DAVID LASCELLES in New York

FINANCIAL executives from the U.S. oil industry got down to work this week, analysing details of the windfall profits tax—the largest revenue raising measure that has ever gone through Congress—in a mood of resignation rather than anger.

They knew that their high profits from soaring oil prices were bound to produce some kind of political backlash. It was only a question of how severe it was going to be. Now that the tax is finally on its way their view can be summed up: "We didn't want it. But it could have been worse."

Their biggest grouse is that it has come to be called the "windfall profits" tax because this implies that they are being penalised for making unjust gains. In fact, it is an excise tax because it is to be levied on revenues, irrespective of profits. This is not just a verbal quibble: for some companies, the distinction could be painfully real because the tax may wipe out the margins of producers of high cost oil.

The tax marks the final legislative step in the far-reaching package of proposals President Jimmy Carter put forward to solve the country's energy problems, by introducing realistic energy prices into the U.S. to encourage conservation and to finance future energy growth.

Last year he initiated the phasing out over a 30-month period of the complex structure of controls which have kept U.S. oil prices well below world levels. Broadly, these controls set prices for oil depending on whether they were "old oil" discovered before 1973, or "new oil" discovered since then. Certain special categories like stripper oil and Alaskan oil were exempt.

But ending controls was bound to bring huge increases in oil industry revenues as companies obtained vastly higher prices for oil which was still costing them the same to produce. Not trusting the oil industry to plough these profits back into suitable energy projects, Mr. Carter proposed the Windfall Profits Tax to cream off a large part of the extra revenues and re-direct them.

He proposed a permanent tax at a level which would yield $292bn in the 10 years to 1990. This tax was to be levied at a flat 50 per cent of the amount by which oil prices rose above a pre-determined level. Thus if controlled oil sold for $10 a barrel, and rose to $15 after ending controls, the oil industry would be liable to a 50 per cent tax on the increment, or $2.50 per barrel. The tax was to be levied over and above state and federal royalties and taxes.

The only concession he wanted to allow was exemption from tax of newly-found Alaskan oil and of heavy oil because of the high cost and expensive technology involved.

The oil industry was outraged by these proposals. But it turned out that while Congress shared Mr. Carter's view that some kind of tax was necessary, it also thought his proposals to be extreme. The House of Representatives toned them down to a tax "bite" of $273bn, mainly by trimming the tax on existing Alaskan oil. The Senate then cut them down further to a "bite" of $178bn, which was not surprising since that body is heavily influenced by senior senators from the oil producing states.

The Senate version differed radically from the President's and the House's in two ways. First, it was to phased out over approximately 11 years, and second, while it penalised existing oil production more heavily (with taxes up to 75 per cent), it sharply reduced the levy on new and hard-to-extract oil in order to provide incentives for new production.

The final step in the legislative process began a few weeks ago when the House and Senate got together in conference to thrash out a compromise. The first thing they did was agree to split the difference between their respective "bites," and settle on a tax yield target of $227bn over the next 10 years. After that, it was a matter of deciding how best to achieve this target.

This presented difficulties and for several weeks the conference was deadlocked. Broadly, the dispute was between those who felt, like President Carter, that the tax should have a "blanket" character because anyone who produced oil whether now or in the future would benefit from ending controls, and those who felt the oil industry should be allowed a sufficient return and incentives to increase oil production, either by enhancing recovery from existing wells or going out to find new ones.

In the end the deadlock was broken with a tax that falls heaviest on existing production, but which sets considerably lower rates for hard-to-extract oil and newly-discovered oil. Thus, as the table shows, the tax is structured along lines proposed by the Senate, but using rates that are as high, if not higher, than those put forward by the House. The main categories are as follows:

OLD OIL: The tax drops the distinction between oil discovered prior to 1973, and oil found in that year and later. This streamlines the system, but at the cost to the oil industry of lumping all oil found before 1979 into the highest tax bracket (with the exceptions listed below). The tax will be levied on the difference between a base price of $13, which will be adjusted for inflation, and the price at which the oil is eventually sold. The $13 figure is the price at which these categories of oil were selling on average at the end of last year. Thus, the bulk of U.S. oil will be taxed at the 70 per cent rate to start with, though the proportion will obviously decline as more "newly discovered" oil comes on to the market.

NEWLY DISCOVERED OIL: In order to give the oil industry incentives to find new oil, the two sides set a very much lower tax level of 30 per cent for any oil discovered in 1979 and after. This is seen as a major concession to the oil industry, though oil executives point out that for the next few years at any rate exploration for new oil will have to be financed from profits on "old oil" taxed at the highest rate.

INCREMENTAL OIL AND HEAVY OIL: Both are viewed as desirable but expensive sources of oil for which special tax treatment is necessary. Both, therefore, qualify for the 30 per cent tax rate. All categories in the 30 per cent band will be taxed on the difference between a base price of $16.55 a barrel and the final selling price. This band, therefore, enjoys a higher tax threshold than old oil.

ALASKAN OIL: existing Alaskan oil production (which is already exempt from price control because of the huge cost of opening it up) will be subjected to the same tax as old oil, i.e. 70 per cent. But any newly-discovered oil will be totally tax exempt. This exemption, the only one in the whole tax, was the single point on which President Carter and both both houses of Congress agreed. It recognises the special financial needs of Alaskan oil development, as well as the fact that most major U.S. oil discoveries for the rest of this century are likely to come from Alaska or its offshore regions.

INDEPENDENTS: independent or small oil producers end up enjoying special treatment. For the first 1,000 barrels of oil a day they produce the tax will be 50 rather than 70 per cent. Their stripper oil will also be taxed at 30 instead of the 60 per cent oil majors will pay. Independents won special recognition for the important role they play at the riskier end of the business

Congressional members have yet to decide whether the tax should be permanent (as Mr. Carter and the House propose) or phased out once the $227bn have been levied (as the Senate wants) which would take about ten years. This is a major point which may only be resolved by means of a compromise which classes some of the tax as permanent and some as temporary.

But for all the oil industry's denunciation of the tax, few companies care to comment in detail on what it means for their operations, largely because it is still too early to say. However, a few general points are obvious enough. The American Petroleum Institute, the oil industry trade group, has produced an estimate of what it means for the industry as a whole.

Lifting oil price controls, it says, will produce $1,025bn in extra revenues in the next ten years, assuming annual inflation of 7 per cent. Production costs in that period will be $87bn, leaving gross revenues of $938bn. Given that the tax will be levied on top of federal and state royalties and corporation tax, the API estimates that the oil industry will have to hand over $710bn of all the increased revenues resulting from decontrol. This would leave it with $228bn, or only 24 per cent.

However, it is obvious that the tax will land hardest on those oil companies which depend to a greater extent on U.S. production for their crude supplies. The few companies fortunate enough still to have reliable sources of foreign crude will be relatively better off. The irony of the tax is that it will encourage oil companies to do business abroad, away from the taxman's reach, which is quite the opposite of what Mr. Carter intended.

There is one possible sweetener to the tax, and that is the strong likelihood that Congress will vote a more generous depreciation allowance for industry as a whole before long. However, that is little consolation for an industry which has just seen a king's ransom snatched from under its nose, with the implication that it cannot be trusted to spend the money wisely. In the country as a whole, the tax is popular, particularly since it has been debated at a time when oil industry profits have doubled or even trebled.

HOW THE WINDFALL PROFITS TAX EVOLVED

Comparison of Proposals

	White House	House	Senate	House/Senate Conference
Tax "bite":	$292bn	$273bn	$178bn	$227bn
Equivalent to a tax rate of	64%	61%	38%	50%
Duration of tax	Permanent	Permanent	11 years	To be decided
Tax categories*				
"Old" oil:	50%	60%	75%	70%†
"New" oil:	50%	50%	60%	
"Newly discovered" oil:	50%	50-60%	10%	30%‡
"Incremental" oil:	50%	50-60%	20%	
"Stripper" oil:	50% Permanent	60% Permanent	First 1,000 bb/d produced by independents is exempt. After that, 60%. Phases out.	60% for majors§ 30% for independents
Alaska oil				
Existing:	60%	50%	60%	70%
New:	Exempt	Exempt	Exempt	Exempt
Heavy oil:	Exempt	Not exempt	20%	30%

* Oil Definitions: "Old": Oil found before 1973.
"New": Oil found since 1973
"Newly discovered": Oil found in future.
"Incremental": Oil produced by advanced recovery methods.
"Stripper": Small wells producing 10 bb/d.

* Note: The windfall profits tax would be levied on oil revenues directly attributable to Mr. Carter's programme to decontrol oil prices. The yields in the table vary because definitions of windfall earnings differ.

† Independents will pay only 50 per cent on their first 1,000 barrels a day. The tax is to be levied on the difference between a base price of $13/b (adjusted for inflation) and the price at which the oil is sold.

‡ On the difference between a base price of $16.55/b and the selling price.

§ Tax on both majors and independents will be levied on the difference between a base price of $15.30 and the selling price.

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Algeria, Indonesia consider new oil price increases

BY RAY DAFTER, ENERGY EDITOR

ALGERIA AND Indonesia are among major oil exporters considering new price increases, following the move by Saudi Arabia and other Gulf states to raise crude oil prices by about $2 a barrel.

If Algeria and Indonesia do decide to follow Saudi Arabia's lead, it will almost certainly start a new wave of price increases through producing countries in Africa, the Middle East and South America.

North Sea producers, whose prices are linked to international market rates, would also be forced to raise their rates.

At present, the reference price for high-quality North Sea oil has been set at $29.75 a barrel, well above Saudi Arabia's new marker price of $26 a barrel for Arabian light crude, but still considerably below the $33-$34.72 a barrel being charged by Algeria and Libya.

On Monday, Saudi Arabia raised its reference price by $2 from $24 a barrel in an attempt to stabilise the world oil market and to bring its prices more in line with other exporters. The increase was backdated to January 1.

Immediately, four other major exporters—Kuwait, Iraq, the United Arab Emirates and Qatar—followed suit, undermining the Saudi effort and raising the prospect of a new spate of price leap-frogging.

Algeria is said to be considering a similar $2-a-barrel rise. If implemented, the price of its Saharan and Zarzaitine would rise to $35 a barrel, although this would include a $3 a barrel exploration levy which could be refundable in certain cases.

Algeria has already informed clients of its intention to raise prices, according to Bulletin de l'Industrie Petrolière (BIP) in Paris. But some importers of Algerian oil have apparently replied they would find it more profitable to buy refined oil products on the open market.

Petramina, Indonesia's state-owned oil company, has also indicated it is considering a $2-a-barrel rise. An announcement could be made within the next few days. If Indonesia goes ahead, the price of its Sumatran Light crude oil would rise to a record $29.50 a barrel.

The oil industry is puzzled by the wave of price revisions, because it coincides with a sharp fall in spot market hates. According to Rotterdam spot market dealers, cargoes of crude oil are being offered at between $30 and $33 a barrel, depending on quality, as against $34-$35 a barrel last week, and $39-$40 a barrel before Christmas.

High storage levels and the expectation of reduced demand are said to be the underlying reasons for the drop in spot market rates.

Poll gains for anti-Marcos candidates

Manila Returns reported yesterday in local and provincial elections held under martial law in the Philippines indicated major victories for Presdent Ferdinand Marcos's *New Society* Movement.

But anti-martial law forces appear to have scored major gains on the southern island of Mindanao, where a Moslem-led rebellion has been under way since President Marcos proclaimed martial law in 1972.

A bitter enemy of the President won the mayoralty of Zamboanga City, which is headquarters of the Filipino army's southern command. Candidates who campaigned against martial law led in the island's two other major cities, Cagayan de Oro and Davao, and in the Cagayan de Oro-based governorship of Misamis Oriental.

Under the Filipino system, mayors and governors exercise the most governmental control over their constituents, representing them directly to the central Government in Manila on most issues. Hence local elections are fiercely contested Reuter.

UN cautious about plan for embassy hostages

BY DAVID BUCHAN IN WASHINGTON

A SOLUTION to the issue of the U.S. hostages in Tehran, which would involve the International Red Cross in taking custody of the 50 diplomats while a United Nations commission investigated Iran's allegations against the deposed Shah is one of several diplomatic efforts being pursued by Dr. Kurt Waldheim, the United Nations secretary-general.

But senior UN officials said yesterday that no breakthrough can be expected until it becomes clear exactly how Iran will react to the escape of six U.S. diplomats with the help of the Canadian embassy.

Senator Frank Church, chairman of the Senate Foreign Relations Committee, has expressed renewed optimism on getting the hostages freed, following talks with the Carter Administration. But it is not clear on what his optimism is based.

The other factor compounding the uncertainty is what UN officials describe as a power struggle between Mr. Sadeq Qotbzadeh, Iran's foreign minister, and Mr. Abol Hassan Bani-Sadr, the President-elect.

The latter has urged a speedy solution to the hostage crisis, while Mr. Qotbzadeh has said Canada will be made to pay

Simon Henderson reports from Tehran: Any renewed optimism on the part of the U.S. Government about the safe release of the hostages is probably based on the election last week of Mr. Bani-Sadr as President and the belief that he wants to solve the crisis.

Diplomats in Tehran counsel caution, however. They point out that Mr. Bani-Sadr does not officially assume office until after elections for a general assembly in about four weeks' time. Meanwhile the militant students holding the embassy are still demanding the return of the Shah and refuse to countenance any compromises.

Ayatollah Khomeini has yet to show any change in his previously unbending attitude. The militant students would only alter their position if ordered directly to do so by Khomelni.

China renews pressure on Hanoi

BY TONY WALKER IN PEKING

CHINA appears to be intensifying its diplomatic offensive against Vietnam and foreign ministry officials here have confirmed that Sino-Vietnamese peace talks will not go ahead as planned. Peking has also renewed its claim to the Paracel and Spratly Islands in the South China Sea.

At the same time, China is continuing to charge Hanoi with border violations. The Chinese say a series of incidents have taken place during the first month of the year. Several resulted in loss of life.

Western diplomats say that China may be seeking to take advantage of the unpopular Soviet action in Afghanistan which Vietnam has been obliged to support.

Abandonment of the Sino-Vietnamese peace talks for the time being follows similar action taken last week over negotiations between Peking and Moscow. A Foreign Ministry official, Mr. Han Nianlong, Deputy Foreign Minister and chief Chinese negotiator at the Sino-iVetnamese peace talks, was too busy to attend.

The Chinese response came after the Vietnamese had proposed several dates for a resumption of the talks. A statement from the Vietnamese embassy here said that if China continued to delay the resumption of the talks, this would one more show its lack of goodwill in seeking a negotiated settlement of the problem in relations between the two countries.

In its dispute with Hanoi over the islands in the South China Sea, Peking claims that Vietnam has reversed an earlier acceptance of Chinese sovereignty over the Spratlys and Paracels.

In its statement the Vietnamese embassy rejected the Chinese claim and reaffirmed that the islands belonged to Vietnam. The disputed islands have become increasingly important in recent years with the prospect of oil finds in the area.

The Chinese said yesterday that the islands had been "China's territory since ancient times." They listed historical precedents and various agreements and maps to back up the claim.

Botha may bypass his MPs to force pace of change

BY QUENTIN PEEL IN JOHANNESBURG

THE South African Parliament assembles in Cape Town today, in an atmosphere of unprecedented expectancy.

On one hand, the booming gold price has aroused visions of a dramatic revival of the previously languishing South African economy. On the other, the language and style of Mr. P. W. Botha after 15 months as Prime Minister have created expectations of far-reaching reform in the embattled bureaucracy of apartheid.

In spite of the huge fluctuations in the gold price since it topped $850 at the New Year, gold fever is still rampant in South Africa. The sudden doubling of the cash flow to South Africa's gold mines has also boosted state revenues, bringing the hope of big handouts from Senator Owen Horwood, the Minister of Finance, in his March budget. Business confidence has rapidly picked up and economic forecasts for the coming year are being revised upwards by the week.

Mr. Botha's administration is almost equally responsible for the transformation. Within a matter of months of the traumatic resignations of Mr. John Vorster, the former Prime Minister, from the position of State President for his part in the creation of the secret Information Department slush fund to buy friends and support for his Government, his successor is riding on a crest of optimism.

In the event, both the gold price and political hopes could prove inflated. The biggest question over the coming Parliamentary session is whether Mr. Botha will match his promises of racial reform with action. In spite of the expectations aroused among his own white electorate he has to overcome an abiding scepticism in the black community.

More immediately, he faces a constant struggle to persuade the great Conservative majority of his own party of the need for change. Finally, there is still some question over just how far he is willing or ready to go in seeking to tackle the glaring racial inequalities of South African society.

To some extent the strength of the gold price could help Mr. Botha buy time. Two relatively uncontroversial areas likely to benefit from increased state spending are black housing and black education, as part of the effort to improve the material welfare of the majority black population.

But accelerating economic growth is also likely to bring forward the need for streamlining the apartheid bureaucracy. The major bottleneck to a rapid economic revival is the shortage of skilled manpower, coupled with a persistently high rate of inflation.

Mr. Botha is likely to face continuing pressure further to liberalise the country's labour laws and to allow faster training and promotion of black workers, if he is to head off an inflationary wage spiral. He is likely to introduce legislation to implement the major recommendations of the Riekert Enquiry, intended to make black labour mobility and recruitment more efficient.

If he can face down conservative opposition from his own party, and from the white trade unions, he may also take further action to implement the recommendations of the Wiehahn Commission on the organisation and training of labour.

The Government does not, however, appear to be committed to a clear programme in the coming session, which is more likely to be dominated by external events. The situation in Rhodesia is the most important foreign influence, and any progress towards a peaceful settlement in neighbouring Namibia (South West Africa) seems certain to be held back until it is clear whether the British initiative has been successful in Salisbury.

The advent of a hostile and radical black Government in Rhodesia would make Mr. Botha extremely loath to risk any danger of a similar development in the South African-ruled territory, and therefore he could finally reject United Nations attempts to promote a settlement.

Even on the domestic political scene, the extra-parliamentary debate is likely to prove more important than discussions in the House. Already Mr. Botha has virtually abandoned his blueprint for a new constitution, granting separate Parliaments to the coloured (mixed race) and Indian population groups because of his inability to win their support.

As for black politics, the National Party is involved in a direct dialogue with Chief Gatsha Buthelezi's Inkatha Movement, in an attempt to open new lines of direct communication. There is, however, still no move to talk to more radical black leaders.

Mr. P. W. Botha: many promises outstanding

The growing irrelevance of Parliament is also underlined by Mr. Botha's strategy of liberalising racial discrimination in areas such as sport and restaurants by special permits and exemptions, rather than by new laws. At the same time, he has set up a series of extra-parliamentary commissions to discuss major aspects of policy. In this way he can avoid divisive debates within his own party, and introduce reform by the back door.

The other major reform promised for the coming year, is an overhaul of the civil service and of the operations of the Cabinet. Mr. Botha has greatly increased the power of his National Security Council, on which his military commanders sit. He has also set up a series of inner Cabinet committees, at the expense of the wider Cabinet and the party caucus in Parliament.

Whatever new legislation may be seen in the coming session, the steady erosion of the power and influence of the all-white Parliament may ultimately prove more important.

Israel to tighten West Bank controls

By David Lennon in Tel Aviv

ISRAEL IS planning to tighten its control over the West Bank and Gaza Strip, even as U.S., Egyptian and Israeli officials started a new round of talks yesterday on Palestinian autonomy for the occupied territories.

Mr. Sol Linowitz, special U.S. envoy, held a closed meeting with the heads of the Israeli and Egyptian delegations in a search for common ground which might break the deadlock between the two countries over the nature and scope of autonomy.

As the negotiations resumed, Mr. Menahem Begin, Israel's Prime Minister, told a group of Knesset members that the Cabinet would shortly table legislation making it easier to expropriate land in the occupied territories for Jewish settlements.

Justice Ministry officials are preparing a number of options for new legislation which will make it impossible for Arab farmers to appeal against the seizure of their land for settlements.

The decision to introduce new legislation was taken in the wake of the High Court ruling that land seized for the controversial Eilon Moreh settlement had been taken illegally

During a talk with the settlers this week, Mr. Ariel Sharon, Minister in charge of settlements, said that although they had to move to a new site, the Government had not abandoned is plans for the area. A chain of Jewish settlements would be built around Nablus, the biggest Palestinian town on the West Bank.

Reginald Dale adds from Jerusalem: Mr. Begin yesterday sharply rejected Egypt's latest proposals in the Palestinian autonomy talks, and accused Cairo of a "complee deviation" from the Camp David agreement.

The three main points he objected to were: Cairo's constitutional plan for the West Bank in the five-year transitional period, the suggestion that Arabs in Jerusalem should be included and the requiremen that Israel's remaining security forces in the area should seek permission from the new West Bank authority before moving from their positions.

Mr. Begin corrected reports that he had called for a new Camp David style meeting between himself, President Carter and President Sadat of Egypt, to settle the autonomy issue. He would be willing to attend such a gathering, but had not suggested it.

The proposals he rejected were not mentioned in the Camp David agreement, Mr. Begin declared. Egypt has called for a legislative council with 80-100 members, of whom 10-15 would constitute an executive, plus a judicial council.

Nothing about this had even been mentioned at Camp David, Mr. Begin added. He stuck firmly to the agreed formula of "a self-governing authority (administrative council)" and he rejected anything that would open a "corridor" leading to the establishment of a Palestinian state.

Yamazaki to set up tool company in Worcester

BY CHARLES SMITH, FAR EAST EDITOR, IN TOKYO

YAMAZAKI MACHINERY, a leading Japanese maker of numerically controlled machine tools, is to establish a wholly-owned sales company in Worcester which could eventually become a manufacturing base for the EEC.

The company will initially concentrate on sales and servicing of machining centres but will expand its activities into other fields if labour conditions turn out to be satisfactory. Yamazaki has selected a site for its plant and hopes to complete building work by April next year.

Yamazaki's interest in the UK reflects the fact that Western Europe has become by far the fastest growing market for Japanese machine tool exporters during the past two years. Yamazaki's shipments of NC-controled lathes and machining centres to Europe have increased from about three to four units a month three years ago to 30 to 40 units now. Orders from Europe are running at about 50 units per month.

Yamazaki's European sales are still only about 60 per cent of its exports to the U.S. (where the company already makes NC-controlled lathes and may soon make machining centres). However, the European market is growing more rapidly than the U.S. market. The UK is Yamazaki's second biggest European customer for lathes and machining centres, preceded by West Germany where the company plans another wholly-owned sales and servicing company

Yamazaki is one of the top three Japanese exporters of NC-lathes but is the only one so far to build up an overseas manufacturing operation (in the U.S.).

The company, like its rivals, has enjoyed extremely rapid growth in the past few years, mainly because of booming demand from Western markets (where local machine tool manufacturers seem to have been unable to keep up with the numerical control revolution).

Japan's exports of numerically controlled lathes to the U.S. are running at about 1,500 units a year, equivalent to at least 75 per cent of the U.S. industry's domestic manufacturing capacity.

The sharp increase of Japanese exports has exposed the Japanese industry to anti-dumping investigations, but the Japanese makers claim that, for the time being at least, neither America nor Europe could dispense with Japanese machines.

Toyota rethinks assembly policy

BY RICHARD C. HANSON IN TOKYO

TOYOTA Motor Sales said yesterday it is reappraising its knock-down car assembly operations in Portugal and Ireland in the light of planned changes in import policies in both countries.

In Portugal, Toyota assembles commercial vehicles and passenger cars through a 25 per cent owned affiliate, Salvador Caetano.

The company plans to decrease the number of cars it assembles in favour of more commercial vehicles. It will do this because of a new Government policy which calls for the lifting of restrictions on the import of completed vehicles by 1984, or by the time it joins the Common Market.

Last year, Toyota assembled 1,200 cars and 3,000 commercial vehicles in the country.

Ireland, under a pledge made when it joined the EEC, plans to lift restrictions on completed vehicle imports by 1984.

Toyota assembles 5,500 Corolla model cars a year at Toyota Ireland (100 per cent locally owned) on a knock-down basis. In return for running an assembly operation, the Irish Government allows Toyota to import about 6,000 completed cars a year.

The Irish Government is attempting to diversify away from car assembly operations in preparation for the liberalisation of imports. Toyota said it may consider other lines of business in Ireland and is studying a change in the type of vehicle it assembles there. It does not plan to withdraw from assembly entirely.

Citroen acts to meet downturn

BY TERRY DODSWORTH IN PARIS

FURTHER EVIDENCE that the long drawn-out boom in French car sales is now over has come with a decision by Citreon, one of the partners in the PSA Peugeot-Citreon group, to cut output this month by closing its plants for two days.

Citreon's announcement follows only a few days after a similar, but more serious production cuts at Talbot, the former Chrysler-Simca company, which is now part of the same PSA group. Talbot, after closing its plants for a longer than normal spell over the Christmas period, is trimming 1½ hours off the average working day for four days a week up to the end of April.

The third arm of the PSA organisation, Peugeot, has also made pessimistic noises about the market recently, and took steps to reduce production over Christmas. Thus, of the big French car companies, only the nationalised Renault group seems confident of maintaining its production through the first quarter of this year.

Predictions of the possible decline in the French market vary widely, up to a top limit of about 6 per cent.

Citreon expects a drop of between 2 and 5 per cent compared with the record level of almost 2m vehicle registrations reached last year. A secondary factory influencing Citreon's decision is a marked fall in big car sales in France as higher petrol prices—due to go up again shortly—begin to bite.

Citroen has a dominating position in this sector with its CX model, which began to suffer from reduced demand last year.

Textile import controls to stay

BY RHYS DAVID

CONTROLS on imports of textiles and clothing into the UK from the developing world are likely to be continued in much their present form when the GATT Multi-Fibre Arrangement comes up for renewal in two years' time, Mr. Cecil Parkinson, a Minister at the Department of Trade, forecast yesterday.

The Government was also determined to continue to fight unfair trading practices affecting textiles and would also insist on the strictest possible application of MFA and EEC rules to prevent disruption of the UK textiles market, he told members of the Manchester Chamber of Commerce.

Mr. Parkinson, in a speech intended to allay industry fears of a lack of Government commitment to maintenance of the industry, also gave an assurance that orderly arrangements for the accession of Spain and Portugal — both large textile producers—to the Community would be sought.

The Minister pointed to a number of areas, however, where the industry must help itself. "What the Government cannot do is to regulate fashion changes, protect firms that do not update their designs, protect workers who will not operate modern machines effectively, or generally stop or control imports of textiles from other developed countries, many of which have wage costs far in excess of our own," he said.

Mr. Parkinson also pointed out that, taking textiles and clothing overall, Britain still imported less than one third of its needs, and that two-thirds of imports came not from low cost developing countries but from Europe and the rest of the developed OECD. The MFA had worked well on the whole in limiting the growth of imports, and voluntary restraint arrangements had also been negotiated with all the major Mediterranean producers — except Turkey—which have a special association agreement with the EEC.

Efforts were being made to secure a voluntary agreement with Turkey for 1980 and the EEC would also be trying to negotiate special transitional arrangements with Spain and Portugal to prevent a surge in their exports on entry into the Community.

$144m Skylab deal for ESA

PARIS—The U.S. National Aeronautics and Space Administration (NASA) has signed a $144m (£64.2m) contract for a two-man space laboratory to be built by a European consortium, the European Space Agency (ESA) said yesterday.

Prime contractor is the West German concern Erno, and the contract provides for the supply of equipment and spares from October 1981 to April 1984.

Spacelab is an orbital laboratory to be launched with the NASA space shuttle, to which it will remain attached. It can spend at least a week in space, ESA said.

The first spacelab mission is scheduled for April 1982. Reuter

France, China consider joint watch-making plan

BY TERRY DODSWORTH IN PARIS

THE POSSIBILITY of technological co-operation between the French and Chinese clock and watch making companies has been raised in the wake of two French trade missions which have visited China in the past few weeks.

French companies in the delegations, which have included manufacturers' both of components and finished timepieces, are said to be favourable to setting up joint operations in China.

Such businesses would fall broadly in line with recent agreements between the two countries which foresaw more co-operative deals designed to help small Chinese companies through the injection of French technology.

At present, China is running a balance of trade surplus with France in this sector. French companies believe, however, that technical operation agreements could lead to a development of their export trade with China as well.

Reuter reports from Peking: China last year increased its coal-mining capacity by 14m tonnes compared with a 12.5m-tonne rise in 1978

Nordic pulp price may rise 10%

BY WILLIAM DULLFORCE, NORDIC EDITOR, IN STOCKHOLM

EUROPEAN paper makers can expect to pay more for supplies of Nordic pulp from April 1, according to Swedish pulp industry sources.

Two major producers confirm that they are considering increases of between 5 and 10 per cent for second quarter delivery and the rise is likely to be nearer 10 per cent than 5 per cent.

A 10 per cent increase would take the price of the leading quality, bleached sulphate pulp, to $550 (£243) a tonne.

The Swedish and Finnish mills last raised the price by $25 a tonne for delivery in the first quarter of this year. In 1977 they were selling bleached sulphate pulp for $330 a tonne

Mr. Börje Dahlin, Svenska Cellulosa's information director, said his company considered the market was firm enough to take a price increase. A 10 per cent rise might be possible but the exact level had not yet been discussed within the company.

Mr. Göran Sjöberg, MoDo's information director, said price increases were usually announced a month in advance but an announcement could come earlier on this occasion, in order to allow continental paper makers time to adjust their prices.

The background favouring a price increase is the tight supply situation in the Nordic countries and North America. Industry experts had calculated earlier that the combined 1980 North American/Nordic output of market pulp would be some 500,000 tonnes greater than last year, but this level will probably not now be reached.

The Nordic mills have been running at full capacity for nearly two years and are now experiencing more frequent breakdowns.

The North American market situation is also a key factor in the Nordic producers' calculations. The U.S. mills are experiencing a profit fall, as inflation accelerates and they have to pay higher energy and labour costs. The Americans, the Nordic producers believe, will also be seeking price increases and will be in no position to raise deliveries of cheaper pulp to Western Europe.

CBI finds Rhodesia a tough market

By Frank Gray

BRITISH businessmen are going to find Rhodesia a tough market to break into and should be prepared to send only their senior sales representatives if they hope to gain a foothold there.

An 11-member mission of the Confederation of British Industry (CBI) has just returned from Rhodesia, and yesterday expressed optimism at the potential for trade between the two countries. The mission's optimism, however, centred on the availability of finance and heavy equipment to bring Rhodesia's industrial infrastructure up to date.

It was less enthusiastic about the potential for breaking into the consumer goods market because the country had attained 90 per cent self-sufficiency in this sector and full self-sufficiency in foodstuffs, albeit at austere levels.

"The Rhodesians will not import anything like what they imported in these areas before UDI," said Mr. Daniel Stewart, general manager for the Central, East and Southern Africa division of the Standard and Chartered Bank.

"There is no point in UK industry sending out junior representatives," he commented, at the Press conference. "This is a highly sophisticated market, and I would urge British industry to send out senior representatives."

Mr. Stewart, who spent eight days in top level talks with Rhodesian bankers, industrialists and civil servants, stressed, however, Rhodesia's need for all types of capital goods for their railways, power stations, transport and mining.

"They have a high credit rating and are substantially underborrowed by international standards," he added.

Specific sectors discussed during the visit were the Wankie power scheme and the electrification of the Salisbury-Gwelo railway.

Mission representatives also met with black business leaders in Salisbury and Bulawayo in the retail, hardware and building materials trade, in advertising and in bus transportation. They did not meet any political leaders.

Meanwhile, the Department of Trade, has given a rough estimate that trade between Britain and Rhodesia ought to rise to about £200m within the next year from the pre-UDI 1965 level of £60m, evenly balanced between exports and imports. There was little doubt that within four years Rhodesia would emerge as Britain's third most important trading partner in Africa—after South Africa and Nigeria.

MAN truck plan upsets UK hopes

By Tony Hawkins in Salisbury

MAN, WEST German truck manufacturer, is to build a £650,000 plant in Rhodesia to assembly lorries and trucks.

It is the second major setback to British motor vehicle manufacturers to be announced in Salisbury within a week, following the news that Volkswagen is to assemble its Golf passenger cars for the Rhodesian and neighbouring markets at the Willowvale assembly plant which, prior to the unilateral declaration of independence in 1965 was owned and operated by Ford Motor of Canada.

In the pre-sanctions period the Rhodesia motor vehicle market was dominated by Ford and BL, both of which operated assembly plants and Britain's largest export to Rhodesia in 1965 was motor vehicles.

The MAN trucks are to be assembled at a local plant over the next 18 months while the new factory is being built at Sinoia in the north-east.

Already, selected Rhodesian technicians are being trained by MAN at its assembly plant at Pinetown, near Durban in South Africa.

Japanese loan for Iranian chemical plant

TOKYO—Japanese banks have this week advanced a Y50m (£92,592) loan to Iran as part of the financing package for the petrochemical complex in southern Iran.

The loan by the Export-Import Bank of Japan and a syndicate of 20 domestic banks was the first made toward the stalled construction project in Bandar Khomeini since last September. By last September, the syndicate had lent Y58.90bn of a total Y60bn pledged for the venture.

Mr. Eimiei Yamashita, senior managing director of Mitsui and president of the Iran Japan Petrochemical Company (IJPC) left Tokyo on Wednesday for Teheran to discuss resumption of work on the complex, which has been held up for almost a year. Agencies

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BP Chemicals may build methanol plant

BY SUE CAMERON, CHEMICALS CORRESPONDENT

BP CHEMICALS is understood to be considering building a methanol plant at Hull. It would use gas from the North Sea West Sole Field as a raw material.

The company is believed to be carrying out a feasibility study on the project. A "world-scale" methanol plant would be able to produce between 500,000 and 750,000 tonnes and cost something in the region of £75m to £85m.

If the BP group went ahead with the project it would also have to invest a considerable sum in increasing gas production from the West Sole Field. It might be necessary to build another gas pipeline from West Sole to Hull.

A 44-mile pipeline runs from West Sole to Easington, on the coast, and BP Chemicals uses some of the gas that goes through it to power plants at the Hull site. Most of the gas from West Sole is sold to the British Gas Corporation.

Under a 20-year contract signed with BP in 1970 the corporation is entitled to 150m cu ft of gas a day, about 1.3bn cu metres a year. It is understood that the contract is being reviewed.

Production from West Sole, the first UK gas field discovered in the North Sea, has started to decline. It is believed that if BP Chemicals builds the methanol plant at Hull additional compression facilities will have to be put in on platforms in the field. BP might drill more wells on the field.

Under the 1975 Energy Act Government permission is not required for an oil company to provide gas onshore to one of its subsidiaries, such as a chemicals producer.

BP Chemicals takes about 140m cubic metres of gas a year from the West Sole Field for use at Hull. If it builds a methanol plant there, it is most unlikely that construction would start until the end of the decade.

Methanol is used in making such products as formaldehyde, industrial solvents, and anti-freeze compounds, and as an intermediate for pharmaceuticals and fine chemicals.

Bernard Wardle closes factory

BY ROBIN REEVES, WELSH CORRESPONDENT

THE BERNARD WARDLE Group, presently the subject of a takeover bid from Mr. Ferguson Lacey's Birmingham Midland Counties Trust, yesterday announced the closure of its Caernarvon factory in North Wales.

The factory employs 321 staff. However, it is understood that 100 will be offered jobs elsewhere in the group.

The company, whose main activity is the manufacture of PVC sheeting, said that following an analysis of future market prospects it had decided to concentrate its production of coated fabrics at its Armoride factory at Earby, near Colne, Lancashire.

The group believes that as a result of this move it will be better able to maximise the market potential for coated fabrics and be able to compete more effectively, because of reduced overheads.

Although small by comparison with the thousands of steel redundancies threatened in South Wales, the closure is a body blow to the economy of the Caernarvon region. Bernard Wardle has long been the second largest manufacturing employer in an area acutely short of light industry and with a double-figure unemployment level.

Even before the announcement, the number of jobless was destined to rise sharply in the months ahead as a number of major civil engineering projects are completed. These include a new district hospital and the Britannia Bridge Road Crossing across the Menai Straits to Angelsey.

Mr. Tom Jones, the Transport and General Workers' Union district secretary, said they would be doing everything possible to fight the closure. "We are just pawns in a chess game," he declared.

The Caernarvon factory, he claimed, was running at a profit and making better fabric than any other company within the group. Last year the unions had accepted 75 redundancies at the plant. Yet, thanks to close co-operation with the local management they had increased output to above the pre-redundancy level

Mr. J. W. Sharpe, group managing director and chief executive, denied the decision had anything to do with the current 51 per cent takeover bid from Birmingham Midland Trust. This bid is described as "friendly" though shareholders are currently being advised by the Bernard Wardle board to take no action until it makes a further announcement.

Mr. Sharpe conceded that Welsh fears for the future of the Caernarvon factory had been expressed two years ago, when Wardle first purchased the Armoride Division of Champion Associated Weavers for £2.6m. This added to the group's PVC coated fabrics production capacity at a time when the market for the material, once very widely used for car upholstery, was contracting.

Then, the company insisted that these anxieties were misplaced. The acquisition, it said, would increase security of employment inside a stronger and more progressive group of companies.

Delta Metal to sack 850

BY ROY HODSON

TWO-THIRDS of the 1.350 workforce at the Enfield, Middlesex, rolling mills division of Delta Metal are to be made redundant because of the poor market for rolled copper and brass.

The company has been fighting a fall in demand for copper and brass sheet and strip products. Mr. Alan Adlington, managing director of the division, said yesterday that the worsening pattern of trade was expected to continue for some time.

A total of 850 redundancies is planned at the rolling mills. A further 600 employed by Delta Enfield Cables will not be affected.

As demand for copper and brass products has been affected by world economic recession and the availability of alternative materials, producers have been subjected to increasingly severe competition both at home and abroad. Delta has been losing money on its rolled metals operations.

No changes are envisaged in the rest of Delta's metals operations. The group's stockholders will continue to offer a full range of copper and alloy products.

Special arrangements have been made with the Manpower Services' Commission to find new jobs in the Enfield area for the redundant Delta workers. The group is also planning consultations with unions at the plant.

Yard fraud squad probes loss of sunk tanker's oil

BY JOHN MOORE

SCOTLAND YARD'S metropolitan and City Police company fraud squad is investigating aspects of the circumstances surrounding the mysterious sinking of the oil tanker Salem, and the disappearance of a cargo of oil with an insured value of $56.3m (about £25m).

The investigation follows submission of a report by Shell International Trading to the Director of Public Prosecutions.

The Salem, 213,928 dwt, a crude carrier, was bound from Kuwait to Italy with a cargo of 193,132 tons of crude oil which Shell had bought in mid-voyage from a Swiss company, Pontoil.

The 1969-built ship, purchased by the Oxford Shipping Company of Liberia only a month before, sank off the West African coast on January 17 after a series of explosions.

A Tunisian member of the crew has stated that the bulk of the oil cargo was discharged at Durban, after an unscheduled stop.

He has said that the ship was later sunk off Dakar, Senegal. The London police are investigating "certain UK aspects of the matter, including the insurance and purchase of the cargo."

Lloyd's has not yet received insurance claims on the cargo from Shell, but lead underwriters on the insurance business alerted Mr. Robert Bishop, an insurance investigator, who was conducting inquiries yesterday on the underwriters' behalf.

The vessel is insured for $24m, of which 75 per cent is covered in London by Lloyd's and the insurance companies.

Hull underwriters, under the leadership of Mr. John Oliver, a Lloyd's man, have been pursuing their own inquiries. Their solicitors Ince and Company, have interviewed members of the crew in Dakar, Piraeus and elsewhere.

Technical experts have been called in to test the feasibility of the crews' account of the sinking.

The cargo is insured in London by Lloyd's underwriters and companies. Cargo underwriters are investigating the fate of the cargo through their solicitors, Clyde and Company.

This has disclosed that the vessel called and discharged most of the oil cargo at Durban at the end of December. Lloyd's said that widespread inquiries were continuing in co-operation with the police.

Machine tool orders static

By Hazel Duffy

THE TREND of new orders in *the machine tool industry* showed very little movement in the third quarter of 1979. Figures published in Trade and Industry today put the October index at 82 (1975=100), which is the same level as in June, August and September, 1979.

The figures, *however, mask* a distinct difference between home and export markets. While new home orders showed a fall of 11.5 per cent between July and October, new export orders rose by 18.5 per cent.

Well will test size of Alwyn Field

BY RAY DAFTER, ENERGY EDITOR

A CONSORTIUM of oil companies is to drill a North Sea well to test whether the sizeable Alwyn Field, east of the Shetland Islands, is bigger than presently assessed.

Pict Petroleum, a small UK independent oil company, said yesterday that the well would be drilled in the southern half of block 3/14b. Pict has a 4 per cent stake in this concession. Other members of the consortium which will be involved in the drilling operation are Total (15 per cent), Elf Aquitane (30 per cent) and British National Oil Corporation (51 per cent).

Attractive

Alwyn was discovered by the Total/Elf group in 1973 but up to now its reserves have been regarded as too small to be commercially exploitable. Yet with improving technology and rising oil prices the discovery is now looking much more attractive.

Pict, which has already participated in the drilling of 24 wells in the North Sea, said that it would be involved in at least three further wells this year.

Mr. Ewan Brown of Noble Grossart, the managers of Pict, said at Pict's annual meeting *in Edinburgh that the company* was participating in 29,000 acres of licensed area in the North Sea—one of the largest holdings by independent UK energy companies. Pict intended to increase that acreage by applying for prospective new blocks in the seventh round of licences.

Double

Pict, which also intends to seek a Stock Exchange listing, has additional interests in over 100 onshore wells in North America. That number could double this year.

The company reported that it made a profit of £88,000 for the year ended October 31 (£80,000 in the previous year) before writing off exploration expenditure.

● A four-year study is being mounted into the environmental effects of development and operation of the Beatrice oil field in Scotland's Moray Firth, due to come on stream in 1981.

British National Oil Corporation, the operator, has awarded a contract for the study to Sphere Environmental Consultants, which will also look at the effect of development on commercial fishing in the Moray Firth.

More coal consumed by power stations

By Martin Dickson,

BRITAIN consumed 7.4 per cent more coal last year than in 1978 with rising imports more than offsetting a slight fall in domestic production. Power stations accounted for the bulk of the increase.

According to the latest issue of Energy Trends, the Department of Energy's statistical bulletin, Britain consumed 129.4m tonnes of coal in 1979. However, provisional figures show domestic coal production to have been 122.4m tonnes—down 1 per cent on the previous year.

Although production from the Coal Board's deep mines rose by 0.2 per cent to 107.7m tonnes, this was more than offset by a fall of 1.3m tonnes from opencast mines operated by contractor companies. Production from opencast mines, which suffered from Labour disputes in the final months of the year, was down to 12.8m tonnes.

Statistics show that imports of coal, both for coking and steam-raising, to have risen from 2.3m tonnes in 1978 to 4.3m last year—a rise of 86 per cent.

Power stations accounted for the bulk of the increase in Britain's use of coal. They burnt 8.2m more tonnes than in 1978, reflecting a switch from oil in response to higher oil prices and Government policy to reduce dependence on it.

The statistics also show that in the three months from September to November 1979, Britain's energy consumption rose by 3.4 per cent compared with the same period in 1978. Coal consumption accounted for most of the increase. On a seasonally adjusted and temperature-corrected basis, the rise was only 0.3 per cent.

Britain's oil production during during this period was 19.8m tonnes, a rise of nearly 36 per cent on the same three months of 1978, while the supply of natural gas to the public supply system rose 9.2 per cent in 1979, to 17.3bn therms.

Double Britain's trees, timber growers told

BY LISA WOOD

THE need for Britain to double its acreage of trees during the next 50 years was stressed yesterday at the annual meeting of the Timber Growers' Organisation in London.

At present about 4m acres of the country are afforested. In 1978 the UK produced about 10 per cent of its total consumption of softwoods. In the same year wood and wood products worth £2.54bn were imported.

Mr. Brian Howell, a member of the organisation's executive committee, said: "Even if we double our acreage of trees to 16 per cent of the country we are *still well below the present* general European level of 21 per cent afforested land."

He said there were serious problems in acquiring more land for woodland. There was a lack of land coming on to the market and also opposition from farmers, conservationists and ramblers to more land being used for trees.

Mr. Howell said that his organisation supported the conservationist lobby in that it agreed that paper and associated products should be recycled. "But we still need to grow twice as much," he added.

The problem of oak wilt disease was also discussed. Mr. Michael Harley, the president. said every effort must be made to prevent sawn oak timber from the U.S. bringing the disease to Britain.

Oak wilt disease is now affecting 21 American states. Millions of oaks have been covered with the fungus which kills within a year.

Regulations covering imports of timber have been tightened up since the spread of Dutch Elm disease. Port authorities have to check imports and the timber has to be barkless and chemically treated to kill beetles and dormant disease.

Ulster 'poorest region in UK'

BY OUR BELFAST CORRESPONDENT

NEARLY 70 per cent of those interviewed in a Belfast household survey are living below the poverty line according to a report on poverty and the social security system in Northern Ireland published yesterday.

The report, based on a survey of 1,000 homes in Belfast, concludes that Northern Ireland is the poorest region in the UK. It lists the ageing population of the city, unemployment, sickness, low wages and single parenthood as the main contributory factors.

The Belfast Welfare Rights project took 14 months to prepare the report which was jointly financed by the Northern Ireland department of health and social services and the EEC as part of the European Social Action Programme.

A major conclusion is that the UK's social security system penalises Northern Ireland the most. The system's weakest points — provision for the unemployed, families and fuel — are exactly the points where Northern Ireland households are in most difficulty because of lower wages, higher prices, more unemployment and slightly bigger families, it says.

"Poverty in the region cannot be dealt with without changes in the UK system as a whole and Northern Ireland MPs must press for such changes," says the report.

The present "unco-ordinated structure" of debt collecting in the province was causing growing hardship.

"It makes no sense to exclude people from rebates and discounts if they are in arrears and cannot afford to enter into voluntary agreements to pay them off."

To prevent the debt growing the report suggests the introduction of the comprehensive fuel benefit advocated by the British Supplementary Benefits Commission. It also proposes a new body in Northern Ireland with wide powers to handle arrears.

Deloitte Haskins links with Swiss accountants

BY MICHAEL LAFFERTY

DELOITTE HASKINS and Sells, the UK and international accounting firm, is joining forces with Fiduciaire Ofor, the big Swiss accounting firm, which until recently was associated with Touche Ross.

The link strengthens Deloitte's position in the Swiss accountancy services market, which is one of the most attractive in Europe outside the EEC. Deloitte already has about 50 staff of its own in Switzerland.

It is planned that these will gradually integrate with the 140 Ofor staff.

The arrangement is thought to be one of the first of several new alignments in the European accountancy profession expected to emerge in the next year. Changes in associations between major European firms and the big international accounting groups are under discussion in a number of countries, including Germany and France.

Two top aviation brokers defect from Bowring

BY JOHN MOORE

TWO TOP aviation insurance brokers have left C. T. Bowring and Co. to join a rival firm of brokers, Leslie and Godwin.

Their departure from Bowring is the first major staff defection after the unwelcome £237m bid for the firm from Marsh and McLennan Companies Inc. of the U.S., the world's biggest insurance broker.

Mr. A. H Bolton and Mr. A. A. M. Pinsent, directors of C. T. Bowring and Co. (Insurance), resigned this week. Leslie and Godwin approached them more than two weeks ago.

Mr. Pinsett is an experienced broker of satellite insurance business, but Mr. Bolton is more senior.

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Continental furniture makes £219,000

SALEROOM

BY PAMELA JUDGE

CONTINENTAL FURNITURE at Christie's yesterday made £219,640. The highest price, nearly twice the pre-sale estimate, was £11,000 for a 17th centry Flemish ebony and tortoiseshell cabinet on a stand. By repute the cabinet was given by Charles II to Sir Robert Viner, Lord Mayor of London in 1674. The items in the sale from the Henry Vyner settlement, removed from Fountains Hall, Ripon, totalled £34,085.

Record

Wagner, Vienna, gave £8,500 for a pair of Italian figured walnut commodes. Firouzan paid £6,500 for a Brussels tapestry and a private Belgian collector £5,600 for a Boulle bureau mazarin. Fans sold at Christie's South Kensington made £15,873 with an English trompe l'oeuil version from about 1775 making £700.

Americana and Chinese export porcelain sold by the same house in New York on Wednesday and Thursday came to a total of £513,850. A Philadelphia dealer gave a record £20,000 for "The Nation-Makers," by Howard Pyle.

Bonhams in London yesterday put a collection of European oil paintings under the hammer to the sum of £100,543. A landscape by Henry John Boddington fetched £7,500, "The Playful Kitten," by Thomas Faed, made £4,800, and an Italianate landscape by Theodor Schuz £3,300.

English ceramics made £37,042 at Sotheby's Belgravia. The highest price was £1,850 for a Royal Worcester Dessert service, followed by £1,300 for a Royal Worcester tea set and £1,200 for a Coalport dessert service.

Porcelain

Porcelain sold by Sotheby's in New York on Wednesday included a recumbent elephant tureen and stand at £11,454, and Chinese export large candlestick figures of Court ladies at £5,727. The total for the porcelain was £70,661.

Second Gatwick terminal 'essential for the nation'

A SECOND pasenger terminal at aGtwick Airport is essential for the proper provision of an efficient airport system to serve the London area and the nation generally, the chairman of the British Airports Authority told a public inquiry at Crawley yesterday.

Mr. Norman Payne described Gatwick as one of the fastest growing major international airports in the world and added: "This trend is forecast to continue in the 1980s.

He was giving evidence on the third day of the inquiry into the BAA's plans for a second terminal and expansion of the cargo-maintenance area at Gatwick.

Opening the case for the BAA, Lord Silsoe, QC, said a second terminal was needed to meet expected growth in air traffic and would increase the airport's capacity from 16m to 25m passengers a year.

Surrey, West Sussex and East Sussex County Councils, and amenity and conservation bodies are objecting to the proposals.

Mr. Payne said the BAA shared the Government's view that a significant transfer of scheduled air services from Heathrow to Gatwick was essential if an efficient and acceptable service were to be provided at the London airports for airlines and their passengers.

It was encouraging airlines to transfer, with landing fees at Gatwick about 40 per cent lower than at Heathrow. This disparity would increase.

Mr. Payne said: "Despite the removal of government directives to airlines, I am confident that certain of them will wish to voluntarily transfer some of their operations to Gatwick."

Doctors oppose Corrie

BY ROBIN PAULEY

ABOUT two-thirds of Britain's professors of obstetrics and gynaecology are protesting against the proposed Corrie amendment to the Abortion Act.

A letter in today's *Lancet* by 72 doctors, led by Dame Josephine Barnes, president of the British Medical Association, warns of danger of septic abortions becoming "the scourge of the country" again if the amendment is passed.

The doctors would accept a reduction in time limit for abortions to 24 weeks, but say 20 weeks is too early.

The abuses of the Act had been eliminated. The Corrie amendment would reduce abortions by two-thirds and destroy charities running advice services.

Signatories include Prof. Sir Douglas Black, president of the Royal College of Physicians, and the presidents of four other royal colleges.

Rise in number of bankruptcies

THE NUMBER of company bankruptcies in the UK rose significantly in the final quarter of 1979 to the highest level for the 12 months, with company liquidations also on the increase.

But, for the full year, both bankruptcies and company liquidations were down, according to the latest figures from the Department of Trade. There was a 13 per cent drop in liquidations at 4,432, the lowest figure since 1974.

The bankruptcy total declined last year by a tenth to 3,498—less than half of the totals recorded for both 1975 and 1976.

In the fourth quarter, liquidations rose from 1,060 in the previous three months to 1,182, seasonally adjusted, while the bankruptcy total shot up from 802 to 944.

Throw SDLP out of talks, says MP

BY STEWART DALBY

THE ACRIMONIOUS verbal exchanges between Unionists and Catholic party leaders, which have gone on around the constitutional talks on Northern Ireland for the past few days, continued yesterday, with the Rev. Robert Bradford, Official Unionist MP for South Belfast, calling for the main Catholic party, the SDLP, to be thrown out of the second set of parallel talks.

These, unlike the main conference, are aimed at discussing questions of security and the Irish dimension.

Mr. Bradford made his demand because of remarks attributed to the SDLP leaders which cast aspersions on the impartiality of the Ulster Defence Regiment (UDR).

The Official Unionists which, with five Westminster MPs, is the largest Unionist party, has declined to attend either the primary conference which aims to find a way of restoring political structures to Northern Ireland or the second set of talks.

So far, only the SDLP is attending the parallel talks which started on Wednesday. Questions of security came up and it seems that after the talks some SDLP members said they did not think the UDR was an impartial force.

The UDR regiment is about 9,000 strong with around 2,000 full-time members. It is mostly made up of Protestants.

However, it has taken heavy casualties as UDR men have become prime targets of Provisional IRA gunmen. Mr. Bradford said he did not think that any British politician should accept criticism of the UDR, given the regiment's record of casualties.

Government policies unlikely to cut inflation—report

BY PETER RIDDELL, ECONOMICS CORRESPONDENT

CURRENT Government policy has little chance of succeeding in reducing the rate of inflation and in promoting growth in the UK over the next five years, the Economist Intelligence Unit argues in its latest medium-term assessment published today.

The report, entitled The UK Economy in the 1980s, suggests that, if present policies continue, the rate of growth of total output will be only 0.6 per cent a year between 1979 and 1984, the current account will be in small deficit, unemployment will have risen to more than 2½m and the inflation rate will be 8.1 per cent by the end of 1983.

The Economist Intelligence Unit argues that this outlook is far worse than the gloomy views recently presented by Treasury Ministers and it is likely to more than offset the incentive effects of the Government's "supply side" policies aimed at boosting incentives.

This analysis is based on the use of the Treasury's forecasting model of the economy which is available to outsiders and now includes a detailed monetary sector.

The gloomy conclusions of the report are broadly in line with other medium-term assessments recently produced by conventional macro-economic forecasting techniques, for example by stockbroking analysts. This degree of pessimism is not shared by economists who question traditional income and output equations, and place more emphasis on monetary relationships.

The report examines two alternative policy approaches—another direct attempt at controlling wage inflation and a policy of import controls on manufactured goods.

The Economist Intelligence Unit believes that some form of incomes restraint is the most likely outcome. "This would allow the Government a low inflation, tax-cutting run-up to the next election. However, if the incomes policy breaks down, as past experience suggests is probable, then the UK economy will not have benefited at all from the new Government's policies and the years after 1984 look even more difficult."

The report claims that "a policy of import controls could bring sustainable long-term benefits by protecting UK industry from foreign competition and by allowing reasonable growth without all the inflationary consequences of devaluation. There is, of course, the danger of retaliation and the particular problems relating to UK membership of the EEC. However, if foreign goods continue to penetrate the home market at the rates experienced recently, then import controls may indeed be the only way of preserving domestic manufacturing industry."

Other economists would disagree strongly with this analysis and argue that general import controls would have a significant adverse impact on the inflation rate and would hold back attempts to increase industrial efficiency.

"The UK Economy in the 1980s," published by the Economist Intelligence Unit, 27, St. James's Place, London SW1A 1NT, price £250.

New plans for British Caledonian

By Michael Donne, Aerospace Correspondent

BRITISH CALEDONIAN has asked the Civil Aviation Authority for five more routes between Gatwick and the U.S.

The routes are to Minneapolis/St. Paul, San Juan (Puerto Rico), Miami, Orlando and Tampa.

The airline says it will introduce cheap fares on all the routes, if it is given the licences.

Mr. Alastair Pugh, managing director, says that British Caledonian expects Miami to be upgraded to "dual designation" status—served by two airlines from each country—as a result of a review of the Anglo-U.S. Bermuda Two air agreement.

The airline also believes that San Juan and Orlando will be designated as new gateways to the U.S. from the UK.

The U.S. Civil Aeronautics Board has already said it intends to make Minneapolis/St. Paul a gateway on the U.S. side "and B.Cal is bidding for a licence to operate the British reciprocal route."

Mr. Pugh said that British Caledonian would offer fares up to 60 per cent less than current economy-class levels, as it does on its route to Houston.

The airline is also planning a new service to Atlanta, Georgia, in June, and services to Dallas/Fort Worth. It also has rights from the UK to fly to St. Louis and Denver, but permission to operate these services is still awaited from the U.S.

● British Caledonian has introduced a cheap £49.50 return fare on a restricted number of flights between Gatwick and Brussels, Amsterdam and Rotterdam. Return travel may not be made before midnight on the Saturday following the day of outward departure. The new rate is about half the normal economy-class fare.

Customs work hit by staff shortages

BY ROBIN PAULEY

STAFF SHORTAGES and recruitment difficulties during the 1978-79 financial year meant that Customs and Excise departments had difficulty in meeting all demands placed upon it.

Recruitment of executive staff was particularly difficult and, according to the department's report for the year, published yesterday, 25 per cent of resignations in that grade were trained computer staff who took up commercial computer appointments. This inhibited the extension of computer services and restricted the introduction of changes to existing systems.

The department had a staff of 28,870 at the end of the financial year. The current drive for Civil Service expenditure cuts may lead to a reduction in staff and in some less essential tasks. This might mean fewer checks on VAT centres and on some forms.

One result for traders has been that processing of forms has been slower. The department said yesterday that traders should try to give early notice of requests for any Customs and Excise facilities required.

Customs and Excise receipts for the year increased by 12.1 per cent to £13.8bn, which represents 35.4 per cent of central Government taxation. The cost of Customs and Excise administration was £219.6m or 1.59p for every £1 of net revenue.

The revenue from value added tax in 1978-79 was £4.8bn, an increase of 14.2 per cent. This reflected growth in real consumer expenditure and the increase in the overall level of prices. In September last year 1,292,300 people were registered for VAT.

Car tax

Receipts from car tax increased by £94.8m to £380.6m, indicating the increased demand for new cars. Fuel tax revenue was £2.5bn, about the same as the previous year. Consumption increased—petrol by 5.2 per cent, derv by 3 per cent and rebatable oil by 2 per cent. The previous year's figures were boosted by an increase of 5p per gallon on petrol from March until August 1977.

Revenue from tobacco rose 19 per cent to £2.5bn. The report says there has been an underlying increase in the use of tobacco.

Duties on alcohol raised £2.3bn, an increase of 13.4 per cent. The income from beer duty was unchanged but receipts from wine rose by 15.8 per cent and from spirits by 26.3 per cent, resulting partly from the increase in real personal disposable income.

Exports of whisky rose by 5 per cent to 100.3m proof gallons, a third of it going to the U.S., with Japan, France, Italy and West Germany the next largest customers.

Betting and gaming produced duties of £338.6m, a rise of 5.6 per cent.

British Customs officers seized drugs worth £40m during 1979. Most of these were in transit to other Western European countries and the U.S.

The number of drugs seizures increased by 200 on the previous year to 1,749. Seizures of heroin were up by 260 per cent to 61.7 kg. Seizures of cocaine were up by 150 per cent to 27.2 kg.

CUSTOMS AND EXCISE REVENUE £m

	1978-79	1977-78
Value added tax	4,837.5	4,234.8
Hydrocarbon oil	2,469.4	2,460.0
Tobacco products	2,449.4	2,057.6
Alcoholic drink	2,338.5	2,062.9
Customs duties	736.1	681.9
Car tax	380.6	285.8
Betting and gaming	338.6	320.5
EEC agricultural levies	230.3	178.2
Other	8.9	16.5
Total	13,789.3	12,298.2
Less shipbuilders' relief*	9.1	10.8
Net total receipts	13,780.2	12,287.4

* Payable to UK Shipbuilders for certain ships and oil rigs constructed and delivered under contract. It represents a refund of some indirect taxes which enter into construction costs.

More strike cover is sought by shipowners

By William Hall, Shipping Correspondent

THE NUMBER of shipowners seeking insurance against strikes at ports around the world has increased sharply. In 1978-79 shipping tonnage insured against strikes by The Strike Club, the world's largest mutual strike insurance association, jumped by nearly a third to 30.1m gross registered tons.

Strikes can affect shipowners in at least three ways. Ships can be confined to port because of a stevedoring dispute or prevented from entering port after a strike because of congestion. Or the shipowners can be hit directly—when a ship's crew withdraws its labour.

The Strike Club, officially known as the Shipowners' Mutual Strike Insurance Association (Bermuda) Limited, was set up in 1957 to provide specialist insurance cover against strikes for shipping companies, mainly because the traditional insurance markets would not provide cover. In the past The Strike Club had been able to meet claims out of members' initial insurance premiums but last year it had to call for extra money to cover claims on two of its four classes of insurance. This reflected the worsening strike experience at the world's ports.

By far the worst country for strikes in 1978-79 was Australia, which accounted for nearly two-thirds of all claims. The next two countries, Iran, followed by the UK, together accounted for another 29 per cent of total claims.

The Australian disputes were, for the most part, short-lived. The most serious involved the Waterside Workers' Federation and arose from the re-negotiation of their triennial working agreement.

Australia has now taken over from the U.S. as the country with the worst port strike record. Only once in the last 33 years, in 1974, has there not been a triennial strike of the East Coast Longshoremen of North America. But if the 1980 wage negotiations lead to a strike, the U.S. may resume its top place.

The most frequent and serious type of industrial action affecting shipping is strikes by stevedores—these accounted for 41 per cent last year.

House purchase study 'gives new incentive'

BY LORNE BARLING

The Government working party now looking into the provision of house purchase finance, should provide an incentive for extending the sources of mortgage funding, Mr. Ronald King, president of the Housebuilders' Federation, said yesterday.

Mr. King, speaking in Birmingham, said he hoped the report would offer more new ideas about mortgage funding, and that he approved of the recently published Stowe report from the Building Societies' Association.

Its recomendation for an early introduction of a "market clearing rate" competitive with the rest of the money markets, could ensure that in future mortgages would be available on demand as they currently were in the U.S., Canada, and other countries.

Mr. King also welcomed suggestions made in the Stowe report for new forms of fund raising by societies, such as certificates of deposit, marketable bonds, and wider differentials on term shares and large loans.

Current mortgage problems were being exaggerated. Longer-term prospects were by no means as gloomy as they were being painted.

Despite inadequate net receipts to sustain the underlying strong demand for new private houses, some 60,000 new mortgages per month were being advanced by building societies.

Navy seabed vessel named

THE ROYAL Navy's seabed operational vessel under construction at Scotts Shipbuilders Co. Ltd., in Renfrewshire, Scotland, will be known as HMS Challenger, the Ministry of Defence said yesterday.

It will be the seventh Royal Navy vessel to bear the name.

The vessel will improve the Navy's ability to dive to, and operate on, the seabed. It will be equipped to find, inspect and recover objects at much greater depth than is now possible.

Suffolk paid for freeze damage

SUFFOLK County Council has received £685,000 toward cost of road damage caused by last year's severe winter, about 90 per cent of the £753,000 the council asked from the Government.

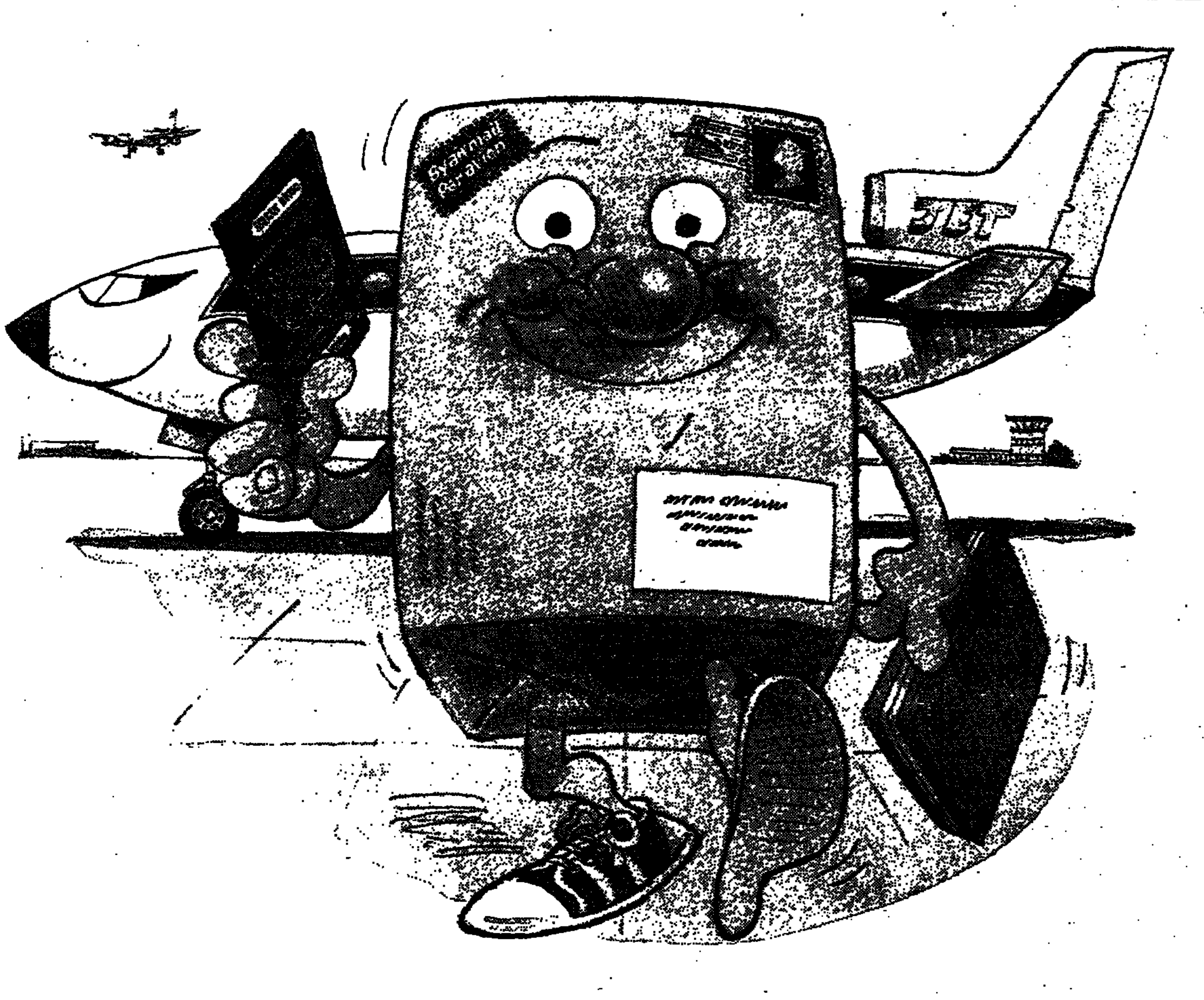
Mr. Stephen Ryder, the chairman of the council's Planning and Transport Committee, said that Suffolk was the first county to benefit from Government assistance. He confirmed that the balance would be paid by the Government in due course.

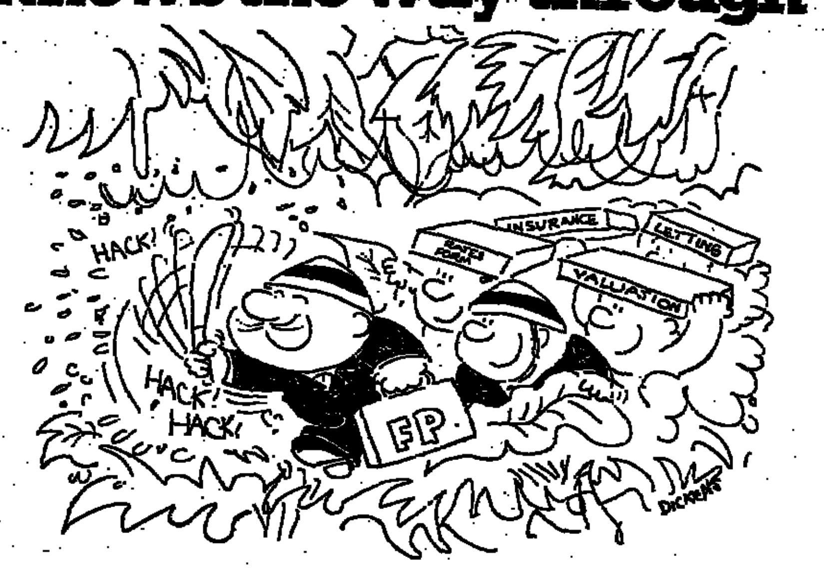
Schools 'lag in technology'

By Michael Dixon, Education Correspondent

THE Government was accused yesterday by the second biggest teachers' union of shilly-shallying about preparing the education system for the repercussions of micro-electronics.

"The Department of Industry is vigorously pressing the importance of micro-electronics while the Department of Education is afflicted by total inertia," said the 120,000-member National Association of Schoolmasters and Union of Women Teachers, which said impeding changes could reduce reference books to the "status of primitive information facilities."





هكذا من الأصل

While others were assessing the damage, we were paying for it.

On the morning of January 11th 1978, you might have been forgiven for mistaking the streets of Sheerness for Amsterdam or Venice.

After a night of near hurricane force winds and waves as high as houses, the East Kent coastline was, quite simply, blown to bits.

In the light of this thirty mile trail of devastation, it became clear to us at Commercial Union that there was only one way we could be of real help.

Not with tea and sympathy. Or vague promises of compensation.

But rather, by agreeing to claims immediately. On the spot.

Now, it's not every day you'll find us popping in on policy holders, with a view to popping a cheque in the post.

After all, like any other insurance company, every claim we deal with involves certain formalities.

There are details to be noted down. Policies to be checked out. Assessments to be made. And so on.

A process that can take anything from five minutes to five months. Or even longer.

Speaking for ourselves, we prefer to simplify the paperwork, for the sake of a speedy settlement.

Which is precisely how we coped with the mopping up of East Kent.

On January 12th, with the storm damage barely a day old, we set up an emergency claims centre in Canterbury.

Within two working days we had our own team of claims inspectors out and about on the waterways, personally totting up the cost of repairs.

In all, we paid out £115,000 from just one branch, to more than 400 policy holders.

So they could start rebuilding their lives, while others were still getting estimates.

C U
ASSURANCE

We won't make a drama out of a crisis.

UK NEWS

BL radiator plant bans foreign cars

By Arthur Smith, Midlands Correspondent

BL CARS workers and management at Llanelli Radiators plant, South Wales, have united to ban foreign cars from the premises.

The office of Sir Michael Edwardes, the BL chairman, denied last night that it was company policy to take such a stand against imported cars.

Llanelli, it said, had decided to enforce a decision taken two years ago "within the company's workers' participation machinery."

BL did not think the Llanelli move would be counter-productive.

"It is a matter for the individual plants to decide."

BL is mounting a "Buy British" campaign to improve its poor market performance. The company's share of UK car sales in the first 29 days of January fell to an all-time low of 15.4 per cent.

Ford claimed 35.9 per cent of the market, which is close to record levels.

*

AN £11m contract to build a pithead complex on the new Selby coalfield, in Yorkshire, has been awarded to Fairclough Buidding (North east division), of Garforth. The project will take nearly four years and is expected to create 150 new jobs.

Labour 'may extend state role in BNOC'

BY RAY DAFTER, ENERGY EDITOR

THE GOVERNMENT'S plans for reorganising British National Oil Corporation and involving private investment would be completely overturned if the Labour Party were returned to power. Furthermore, a new Labour Government would probably extend BNOC's State influence in the North Sea.

This explicit warning was given yesterday by Dr. David Owen, Shadow Energy spokesman, who said that a Labour administration would renationalise BNOC, if the present Government went ahead with its "privatisation" proposals. It would also increase the corporation's existing powers and reduce the share of private companies.

"This is not being vindictive. It is political reality," said Dr. Owen in an interview with the Financial Times. "What is sauce for the goose is sauce for the gander. If you upset the present balance you cannot expect any future changes to bring you back to the same point."

Mr. David Howell, Energy Secretary, is currently putting the finishing touches to his plans for BNOC. He has indicated that these include the splitting of the corporation into two bodies: one, wholly State-owned, would concentrate on trading crude oil. The other would be involved in exploration and production and, perhaps at a later date, refining and marketing operations.

Mr. Howell has indicated that this latter undertaking would involve a significant public holding. The Government is expected to raise at least $500m to $650m from the sale of shares in the exploration/production arm of BNOC.

In a few months time, Mr. Howell is expected to make another major North Sea policy statement, this time relating to the rate of future UK oil production.

Mr. Howell has hinted that the Government will try to extend the period of self-sufficiency in oil through the 1980s and early 1990s by imposing a limit on the maximum rate of North Sea production.

Dr. Owen argued that there was a strong link between depletion policies and the future of BNOC. The corporation could exercise a strong influence on the speed with which UK oil reserves were exploited. However, this influence could be jeopardised if private shareholding was invited into the corporation. BNOC mght be prevented from delaying production which could be against shareholders' interests.

The Shadow Energy spokesman contended that the Government should adopt a tough depletion policy, one which would allow a minimal amount of net exports. On the other hand, it would be advisable for the Government to encourage offshore developers to instal additional reserve capacity which could be brought on stream in an emergency, such as last year's interruption of Iranian supplies.

It was important for the Government to negotiate a depletion policy with the oil industry. In some fields, companies might find it difficult—for reasons associated with reservoir mechanics—to produce oil at levels much below the maximum sustainable output. In other fields, it could be possible to produce oil at, say, 70 to 80 per cent of the maximum level.

Dr. Owen said that shareholders in private companies, particularly small companies, might be unhappy at the prospect of oil production being curtailed. As a result, the Government should expect BNOC to allow its own equity production to be trimmed back in the national interest. This might be difficult with a "privatised" body.

Building societies' merger date set

By Rupert Cornwell in Rome

THE Town and Country Building Society and the Midshires Building Society are recommending a merger to their respective shareholders.

The merger is scheduled to take place on October 31. It has been approved in principle by the Chief Registrar of Friendly Societies.

By the merger date, the new society—to be called the Town and Country—wil have assets in excess of £600m and more than 120 branch offices.

At present, Town and Country is based in the South, South-East and East Midlands. The Midshires operates predominantly in the West Midlands and Wales. Chief executive of the new society will be Mr. Philip Court, present chief general manager of the Midshires.

The two societies said in a statement yesterday that the merger would bring about "a degree of rationalisation" in branches involving six operating areas.

The head office of the new society will be in London, with the main administrative headquarters in Wolverhampton.

Security charges may force air fare rises

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

BRITISH and foreign airlines serving UK airports have protested to Mr. John Nott, Secretary for Trade, at the steep increases in security and other charges.

From today, the security levy rises by 95 per cent to £1.60 for every departing passenger. That compares with a charge of only 20p a passenger in 1977.

The airlines, through the Board of Airline Representatives in the UK (Baruk) and the International Air Transport Association's Users' Charges Committee, have proposed that the security levy be abolished "to protect the public who will ultimately have to bear the cost of this commercial ineptitude through increased fares."

In a letter to Mr. Nott, both Baruk and the UCC criticise also the increases in airport landing and aircraft parking charges, and en route navigation fees, payable from April 1.

The two organisations also claim that the Government's decision to finance the development of Stansted airport from revenues raised largely at Heathrow is "inequitable," because most airlines using Heathrow will never use Stansted.

They claim the new charges imposed on the airlines will produce revenues about one-third greater than the British Airports Authority's own revenue target, while the methods of charging will mean severe differences in the scale of increases suffered by individual airlines.

The airlines argue that all the new charges will collectively have a severe impact on Britain's overall economic position and contradict the Government's own pressures for cheaper fares and cargo rates.

Urging the Government to safeguard the air transport industry's financial position, the airlines call for an assurance that they will be given automatic rights to recover the increased charges through higher fares, if they wish.

Already, several UK airlines—including British Airways—have asked for rises of between 12 and 30 per cent in domestic fares to meet the increased charges.

The Department of Trade says the dearer security levy is necessary to ensure the service not only covers its costs, but also recoups a loss of about £5m incurred last year.

The security levy covers the cost of luggage and body searches of departing passengers at all UK airports. It will be collected by the airlines through increased fares, and passed to the Department of Trade.

Record building by New Town

By Andrew Taylor

WARRINGTON New Town, in Cheshire, is planning its biggest ever development programme with plans to build more than 1.35m sq ft of office, factory and warehouse space in 1980/81.

Last year Warrington embarked on a building programme of more than 1m sq ft. Coincidentally, it will have completed lettings of a similar amount of space during the 1979/80 financial year.

This will have been taken up by more than 50 companies, providing an extra 2,000 jobs in the area. The Warrington Development Corporation has now attracted a total of 150 companies to the town.

Warrington is regarded as one of the most successful of the latest generation of New Towns. Mr. David Binns, general manager of the development corporation, said yesterday that demand for space, particularly for small and medium size units, had remained strong despite record interest rates.

"The number of inquiries for our advance-built accommodation and ground lease sites has never been greater," he said. "In line with Government policy we are funding an increasing proportion of our building programme from the private sector."

SIR HERMANN BONDI BECOMES TOP ENERGY ADVISER

Call for greater technical innovation

BY MAURICE SAMUELSON

SIR HERMANN BONDI, who today takes over as chairman of the Government's advisory council on energy conservation, could hardly have timed his appointment more effectively. The new council has only 14 members, compared with the 25-man body which served for the past five years. But with energy prices still soaring, conservation remains a national imperative.

Yesterday's announcement of the make-up of the new advisory council by Mr. David Howell, Energy Secretary, was given added significance with the release of the Department's latest Energy Trends. Provisional figures showed that although there was only a minimal rise in Gross Domestic Product between the third quarters of 1978 and 1979, total energy consumption rose by an alarming 5.2 per cent.

Interviewed on the eve of his appointment, Sir Hermann, who retires this year as the Energy Department's chief scientist, stressed that conservation would have to play "a very major role" in Britain's short and long-term energy policies.

While cautious about how much the Government can do—he even says that "energy should not be conserved at all costs"—he defines four key areas of Government activity.

These are information, monitoring the energy efficiency of products (standards are already being applied to buildings and vehicles), cutting fuel bills in its own large estate, and backing home insulation schemes and demonstration projects.

As a scientist, he is intrigued most by the possibilities for technical innovation, and believes that there is still a lot of work to be done in devising electronic temperature controls, which are cheaper, smaller and more effective than those now available.

Sir Hermann's appointment also coincides with an apparent downgrading of the Government's role in conservation. The Conservatives put faith in market forces and efficiency rather than frugality, which was the keynote of Labour's "Save It" campaign.

This is reflected, too, in the fact that the advisory council has been cut from 25 members to 14. Sir Hermann was a member of the previous council, chaired by Sir William Hawthorne. However, he believes that the only area in which it definitely influenced Government policy was in encouraging higher building insulation standards.

There is surprise in some quarters that, in spite of its reduction in size, the council retains representatives of the power supply industries whose commitment to fuel conservation is bound to be tempered by their commercial interest in maximising sales.

However, this decision may be motivated by a need to conserve not fuel but money, since the supply industries have been giving the council useful secretarial and administrative help.

NEWS IN BRIEF

NCB awards £29.5m Selby contracts

THE NATIONAL Coal Board has awarded two of the first major contracts worth £29.5m for surface work at the Selby coalfield in Yorkshire.

French Kier Construction has won an £18.5m contract for the main civil engineering work at the Gascoigne Wood Drift Mine site. An £11m contract to build a pithead complex has gone to Fairclough Building's north-east division.

The board is to spend £5m to drive more than a mile of tunnelling at Sherwood Colliery, near Mansfield. The tunnels will improve ventilation, cut travelling time to coal faces and allow 800 tonnes of coal an hour to be moved to the shaft bottom.

Facts about Britain

THE BASIC source of facts about Britain—the Annual Abstract of Statistics, 1980 edition—is published today by the Central Statistical Office. Subjects covered include national insurance, retailing, balance of payments, national income and expenditure, and banking and prices. The abstract is available from Government bookshops, price £11.90 (postage extra).

Road damage grant

THE GOVERNMENT has given Suffolk County Council £685,000 towards the cost of road damage caused by last year's severe winter. This is about 90 per cent of the £753,000 for which the council asked.

TV man dies

PAUL LANG, Thames Television's deputy head of sport, has died in hospital of pleurisy and double pneumonia. A week ago Thames TV's head of sport and outside broadcast, Sam Leitch, died after a month's illness.

Mr. Lang, who was 33, joined Thames in 1978 from the BBC, where he had been editor of Grandstand.

Ban on cans

A PRIVATE members' Bill to outlaw beer and soft-drink cans with pull tabs will be introduced in the Commons next week. The Bill would also make it compulsory to put refundable deposits on all drinks bottles. The measures aim to conserve energy, reduce waste, minimise litter, improve hygiene and "decrease the risks to life and limb of people and animals."

Radio service

THE INDEPENDENT Broadcasting Authority is inviting applications for the contract to operate an independent local radio service for the Bristol area. Closing date is in about 11 weeks.

Welsh statistics

THE NUMBER of private motor cars in Wales rose by 15,000 between 1968-78, according to The Welsh Economy in Figures published by Lloyds Bank. The number of unemployed increased from 35,600 to 57,900, and there were 72,000 more women at work.

Port traffic drop

TRAFFIC THROUGH the Port of Sunderland fell by more than 193,000 tonnes last year. Imports dropped by 26,077 tonnes to 519,019 tonnes and exports were down 167,634 tonnes to 263,813 tonnes.

APPOINTMENTS

LEGAL NOTICES

THE COMPANIES ACTS 1948 TO 1967
MAJOR FABRICATIONS LIMITED
(Formerly
E. J. Progressive Fabrications Limited)

NOTICE IS HEREBY GIVEN that the Creditors of the above-named Company are required on or before the 5th day of March 1980, to send their names and addresses and the particulars of their debts or claims, and the names and addresses of their Solicitors if any, to Keith David Goodman, FCA, of 3/4 Bentinck Street, London W1A 3BA, the Liquidator of the said Company, and, if so required by notice in writing from the said Liquidator, are by their Solicitors, or personally, to come in and prove their said debts or claims at such time and place as shall be specified in such notice, or in default thereof they will be excluded from the benefit of any distribution made before such debts are proved.

Dated this 23th day of January 1980.
K. D. GOODMAN, Liquidator.

THE COMPANIES ACTS 1948 TO 1967
LEA VALLEY PUBLICATIONS LIMITED

NOTICE IS HEREBY GIVEN, pursuant to section 293 of the Companies Act 1948, that a Meeting of the Creditors of the above-named Company will be held at 1 Wardrobe Place, Carter Lane, London EC4V 5AJ, on Wednesday, the 13th day of February 1980, at 12 noon, for the purposes mentioned in sections 294 and 295 of the said Act.

Dated this 24th day of January 1980.
By Order of the Board,
P. BENTLEY, Director.

THE COMPANIES ACTS 1948 TO 1967
SHEHREZADE LIMITED

NOTICE IS HEREBY GIVEN that the Creditors of the above-named Company are required on or before the 5th day of March 1980, to send their names and addresses and the particulars of their debts or claims, and the names and addresses of their Solicitors if any, to Keith David Goodman, FCA, of 3/4 Bentinck Street, London W1A 3BA, the Liquidator of the said Company, and, if so required by notice in writing from the said Liquidator, are by their Solicitors, or personally, to come in and prove their said debts or claims at such time and place as shall be specified in such notice, or in default thereof they will be excluded from the benefit of any distribution made before such debts are proved.

Dated this 24th day of January 1980.
K. D. GOODMAN, Liquidator.

IN THE MATTER OF
THE COMPANIES ACT, 1948
AND IN THE MATTER OF
INTERAD LIMITED
Registered Office:
Cliffords Inn, Fetter Lane, London, EC4

NOTICE IS HEREBY GIVEN pursuant to Section 293 of the Companies Act, 1948, that a MEETING of the CREDITORS of the above-named Company will be held at Winchester House, London Wall, London EC2 on 28th February 1980 at 11.30 a.m. for the purpose mentioned in Section 294 et seq of the said Act.

Dated this 28th day of January 1980.
By Order of the Board.
J. BRAYSHER, Director.

COMPANY NOTICES

CAISSE NATIONALE
DES TELECOMMUNICATIONS
US$20,000,000 Loan
8% 1971-1986

The redemption instalment of US$2,000,000 due on March 1, 1980 has been partly met by purchases in the market to the nominal value of US$1,865,000 and by a draw by lot of bonds in the presence of a huissier to the nominal value of US$135,000.

BONDS DRAWN
Nos. 9270 to 9708 inclusive taking previous instalments into account.

Amount remaining in circulation after March 14, 1980 US$12,000,000.

Bonds will be redeemable at par as from March 1, 1980, coupons at March 1, 1981 and subsequents attached.

Bonds drawn for redemption and not yet presented for repayment:
at March 1, 1978
Nos. 12012/13 12278/82
at March 1, 1979
4984/88 - 5018/19 - 5083 - 5098/99 - 5376 - 5396 - 5416/23 - 5430/31 - 5442/448 - 5464 - 5473/79 - 5505/06 - 5619/21 - 5628/29 - 5631 - 5634/37 - 5695 - 5722/24 - 5776 - 5780 - 5792 - 5798/99 - 5956/57 - 5961 - 5964 - 5966/971 - 5974 - 6005/006 - 6033/40 - 6062 - 6065 - 6066 - 6106/12 - 6134/38.

The Fiscal Agent
BANQUE DE PARIS ET DES PAYS-BAS
POUR LE GRAND-DUCHE
DE LUXEMBOURG.

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BOND DRAWINGS

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S.G. WARBURG & CO. LTD., announce that the redemption instalment of U.S.$1,200,000 due 1st March, 1980, has been met by purchases in the market to the nominal value of U.S.$329,000 and by a drawing of Bonds to the nominal value of U.S.$871,000.

The distinctive numbers of the Bonds, drawn in the presence of a Notary Public, are as follows:—

3959 to 4020	4041 to 4057	4075 to 4084	4131 to 4139	4151 to 4163
4175	4196 to 4200	4213 4214	4221 to 4254	4258 to 4267
4270 to 4314	4319 to 4328	4349	4360 to 4620	4677 to 4697
4721 to 4770	4801 to 4816	4821 to 4848	4851 to 5126	

On 1st March, 1980, there will become due and payable upon each Bond drawn for redemption, the principal amount thereof together with accrued interest to said date at the office of:—

S.G. WARBURG & CO. LTD.,
30, Gresham Street, London, EC2P 2EB.,

or one of the other paying agents named on the Bonds.

Interest will cease to accrue on the Bonds called for redemption on and after 1st March, 1980, and Bonds so presented for payment must have attached all coupons maturing after that date.

U.S.$5,900,000 nominal amount will remain outstanding after 1st March, 1980.

The Bond No. 8541, drawn for redemption 1st March, 1977, has not yet been presented for payment.

The following Bonds drawn for the redemption due on 1st March, 1979, remain outstanding:-

11605 : 12662 : 12663 : 12668

30, Gresham Street, London, EC2P 2EB

1st February, 1980

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British Gas workers hold out for better offer

BY PHILIP BASSETT, LABOUR STAFF

GAS WORKERS have rejected a pay offer put by the British Gas Corporation at between 13 and 16 per cent, but which the *unions involved claim* is not worth more than 15 per cent.

Unions representing the 40,000 manual workers in the industry took away details of the offer for further consideration *after it was tabled by the corporation* last month.

Increases were proposed on basic rates, ranging from £7.65 a week for labourers to £11.37 for craftsmen, and on stand-by payments, as were improvements in holiday entitlements.

The General and Municipal Workers' Union, which represents most manual workers in the industry, said yesterday, though, that after consultation with its members, the *offer had* been rejected.

Mr. John Edmonds, GMWU national industrial officer for the gas industry, said that the offer was unacceptable. The unions' position will be made *clear to the corporation* at resumed pay talks today

The unions will press the corporation further today on their claim for a reduction in the working week, but the corporation made it plain when it made the original offer that it was not prepared to consider shorter hours.

Apart from an improvement in the overall offer, union negotiators feel that the corporation will move on regional bonus schemes.

The gasworkers' *rejection will* have a direct bearing on talks for another public sector group, the 33,000 manual workers in the water supply and sewerage industry, which also resume today. Central to the water workers' claim is a study comparing their pay to that in the gas and electricity supply industries.

The size of the rejected gasworkers' offer had already fuelled water negotiators' determination to improve upon the water authorities' offer of 13.1 per cent.

The authorities increased that offer on Monday to about 17 per cent by adding a further £2.50 a week. Union negotiators have not accepted the offer, though it was enough to take much of the heat out of any immediate threats of damaging strike action.

Metal Box to lay off workers

BY MAURICE SAMUELSON

THE METAL BOX can-making company will begin laying off workers at factories in its open-top division next week, because stocks of tin-plate have fallen to a critically low level due to *the steel industry strike.*

At the Neath factory, in West Glamorgan, which manufactures can ends, about 1,000 workers with less than 15 years service will be laid off from Monday. The works has received no processed steel or aluminium for the past four weeks.

Metal Box said yesterday that it had received no supplies of tinplate since before Christmas. *The effects of secondary picket*ing at Neath further hampered the company's ability to produce cans. It was therefore offering all employees the opportunity of taking a week of their normal holiday entitlement before lay-offs were implemented.

The announcement could lead to a heightening of tension between the Neath plant's workers and pickets. The plant's trade union council said it would send drivers across the picket line with lorries carrying finished products.

This follows failure to gain dispensation for the drivers despite a three day temporary exemption last week granted by Mr. George Wright, Welsh regional secretary of the Transport and General Workers' Union.

Metal Box supplies 70 per cent of the cans used in the British food market. Each year it produces about 4bn cans for the food trade and 2bn for drinks.

According to the Food Manufacturers' Federation, however, there are enough supplies of *cans to keep tinned food stocks* at present levels for about a month. Mr. Barry Williams, deputy director general, said: "As far as the housewife is concerned there are plenty of products available. The only problem might arise when the strike is over, with the delays in getting production going again."

Heinz, which relies on Metal Box for half its cans, said it was looking at the situation *carefully "but so far everything* is well."

The first lay-offs have been reported in the clay refractories industry which makes high-temperature bricks for steel furnace linings. A few companies have also introduced short-time *working.*

Among some private steel producers, Lord Denning's Appeal Court ruling in their favour produced only short-lived relief. Dunford Hadfields of Sheffield yesterday said it was dismayed by the prediction of Sir Charles Villiers, BSC's chairman, that the dispute was likely to last for "weeks rather than days."

Nevertheless, about 80 per cent of the 18,000 ISTC *members in the private steel* industry were back at work last night, in compliance with Lord Denning's Appeal Court ruling. Most of the other 2,000 were in the Midlands.

Picketing was generally more peaceful yesterday than earlier *in the week, although five* pickets were arrested after scuffles with police at the partly State-owned Templeborough works, Rotherham.

More than 300 flying pickets from Corby, Northants, converged on factories in towns throughout the Midlands yesterday to prevent movement of private steel. Pickets also returned to the Sheerness, Kent, steel factory in defiance of the ISTC's *instruction* to leave private factories alone.

Dearer steel threat worries users

BY ROY HODSON

MAJOR steel users in Britain are worried that the price of British Steel Corporation products—already up to 15 per cent above ruling European prices—could be forced up even further to pay for a settlement with the steel unions.

Sir Richard Marsh, chairman of the British Iron and Steel Consumers' Council, said yesterday after a council meeting: "There is *no room* for increases in British Steel prices at present. British Steel recognises this. It is to be hoped that everyone else involved in the steel dispute *does so, too.*"

Sir Richard warned that any increase in British Steel prices on the home market would lead to a further loss in market share by the British and ultimately more job losses.

The senior managers of British Steel are already considering the best strategy to be adopted to revive the corporation's business after the strike is over.

They would like to be able to cut prices on some products and hold prices on others to win back business

The big steel-using industries want the British Steel Corporation to continue to be a sufficiently large and wide-ranging organisation to cater for British industry's needs without a permanently higher level of steel imports.

Sir Richard said yesterday that there must be no cut in British Steel's already much reduced investment programme as a result of any settlement of the dispute. He quoted the current investment in the continuous casting of bulk liquid steel as an example of the sort of modern technology that the corporation must continue to develop.

Do you plod as you read?

Engineers and managers' union settles with TUC

A HIGH COURT action brought by the Engineers and Managers Association over its threatened expulsion from the TUC for refusing to accept a ruling in an inter-union recruiting dispute was discontinued yesterday.

Mr. Justice Foster approved terms agreed between the EMA and the TUC, and released them from cross-undertakings given to the court in November, 1977. *Each side will pay its own costs.*

The association, which has 45,000 members, mainly in the electricity supply industry, had sought a declaration that a representation decision by a TUC disputes committee in March, 1977, was unlawful and void.

The TUC had threatened to expel the association for "refusal or failure" to comply with the decision, which was in favour of TASS, the white collar section of the Amalgamated Union of Engineering Workers. The dispute arose out of association's moves to recruit members at GEC Reactor Equipment.

In November, 1977, the TUC gave an undertaking not to suspend the association from membership, or impose any other penalty, pending the hearing of the association's action. The precise terms under which the action was discontinued were not disclosed in court.

APEX backs plans for Labour Party reform

APEX, one of the largest white-collar unions affiliated to the Labour Party and a major contributor to party funds, yesterday supported many reforms for which MPs are expected to press in their evidence to the Party's commission of inquiry.

The union, which has 29 Labour MPs among its members, and two on its executive, called for a major restructuring of the constituency party organisation —which would virtually amount to the introduction of a primary system *for the selection of candidates*—and a radical reform of the NEC itself. It also urged the commission to examine evidence on the activities of the Trotskyist group, Militant Tendency.

The executive, which moderate MPs in the Parliamentary Labour Party also believed should be reformed, should be enlarged and divided into three categories, APEX argues. One third of the seats would go to the trade unions, and one third to regionally elected lay activists. The remaining third would go to MPs elected by the Parliamentary Labour Party, rather than by the party's annual conference. This would give the Parliamentary party a *much more direct say in the* affairs of the executive.

The union claims that "entryism" consutitutes a major challenge to the credibility of the party.

Airfix 'will not move toy production abroad'

BY GARETH GRIFFITHS, LABOUR STAFF

AIRFIX INDUSTRIES last night assured union negotiators for the Meccano workforce in Liverpool that it will not transfer toy production abroad.

A joint union - management working party holds its first meeting in Liverpool on Tuesday. *The working party* has the task of trying to find a buyer for the Meccano factory before the end of the month.

Mrs. Pat Turner, General and Municipal Workers' Union national officer, said talks betweeen the unions and Airfix management in London yesterday had firmed up an agreement on the role of the working party. There had also been an improved offer on redundancy payments. She said the company dismissed suggestions that it was trying to transfer production abroad.

Airfix had offered three months' pay as a lump sum and a £150 top-up payment for workers with *more* than 15 years' service at the plant. The top-up has been increased and the new figure will be revealed at a mass meeting of the 940 workers on Monday called to discuss the revised redundancy payments.

Meccano management is now being allowed into the factory after a two-month occupation by the workforce.

Kent power station work may be wound down

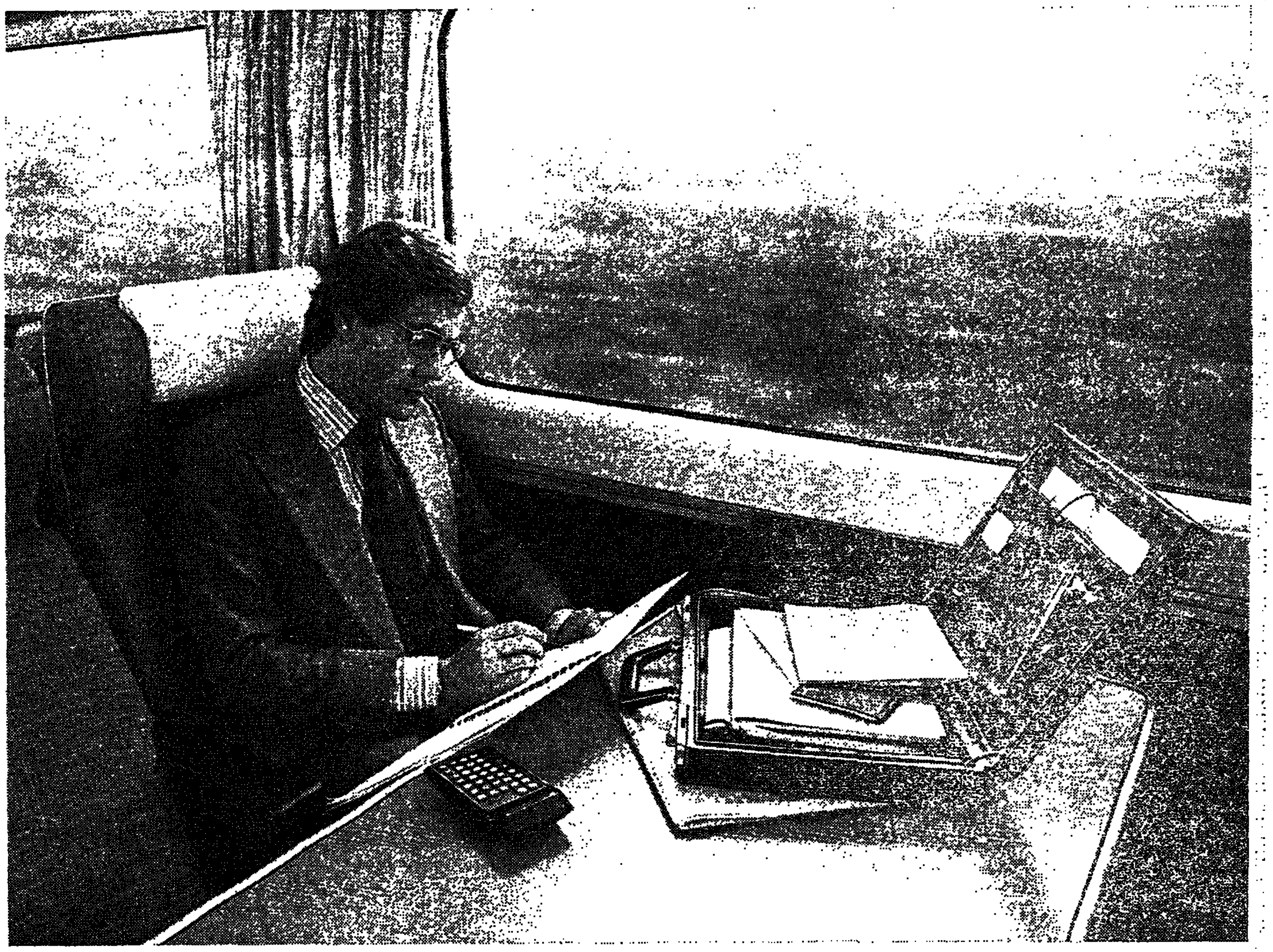
BY OUR LABOUR STAFF

THE CENTRAL Electricity Generating Board is to decide during the next *week whether* to order work to be wound down at the £560m Isle of Grain, Kent, power station.

The joint shop stewards' committee at Grain, in the Thames Estuary, *has* denied CEGB claims of wage leapfrogging at the site which employs 1,600 manual workers. A statement yesterday said the bonus rates paid to laggers, who insulate pipes and boilers, had not been taken as a pace-setter by the other workers.

Mr. Donald Parvin, a Boilermakers' Society shop steward and spokesman for the committee, said the lack of a joint liaison committee at the site had adversely affected industrial relations. Unions were now prepared to work with laggers who were non-members of the General and *Municipal* Workers' Union.

Mr. Frank Earl, GMWU national officer said yesterday the 27 laggers at the Isle of Grain site had not gone on strike at *the site* but instead had been laid off.



UK NEWS — PARLIAMENT and POLITICS

All tapping authorised by Whitelaw

BY PHILIP RAWSTORNE

A COMMONS statement on telephone tapping by the police and security services was promised shortly by Mr. William Whitelaw, Home Secretary.

A Home Office review was currently beind made of issues raised in a recent High Court case, he told MPs.

But Mr. Whitelaw, responding to political concern about a report yesterday of illegal telephone tapping by the security services assured MPs that no surveillance was being carried out without his personal authority.

Mrs. Margaret Thatcher later firmly declared: "There is effective political control over the security services."

The Home Secretary faced a barrage of questions in the Commons after a report in the New Statesman identified an office block in Ebury Bridge Road, Chelsea, as the Government's secret telephone tapping headquarters.

According to the article, the building was officially known as the Equipment Development Division of the Post Office.

But it claimed that computerised equipment located there could be used to tap 1,000 telephone lines simultaneously, and had direct links with MI5 and MI6.

The report alleged that monitoring operations went on without the authority of individual warrants from the Home Secretary.

Mr. Robin Cook (Lab. Edinburgh Central) said that the report had caused a "sense of widespread outrage."

There was great public concern that surveillance could be allowed without statutory authority or parliamentary safeguards.

Lord Birkett's committee had reported on the issue in 1957 but it was time for a new public inquiry and a full report to Parliament, said Mr. Cook.

His demands were supported by Mr. Geoffrey Dickens (C. Huddersfield W) who said that people were "dreadfully worried" by new surveillance techniques.

A Bill to safeguard individual rights should be considered, he declared.

Mr. Whitelaw refused to comment on the New Statesman report except to rebut its allegations of illegal telephone tapping.

"The interception of postal and telephone communications is a vital weapon in combatting serious crime, including drug smuggling and terrorism," he told MPs.

It was carried out by the Post Office on behalf of the police, customs and excise, and the security services.

But Mr. Whitelaw stressed that it was done only on the authority of individual warrants signed by himself.

"I want to make it clear," he added, "that this Government is carrying out exactly the same procedures in exactly the same way as its predecessors always have."

The Home Secretary had been given responsibility in the national interest and had to conduct it personally and with great care, Mr. Whitelaw said.

A balance had to be struck between security and the need to protect individual rights.

"I know how seriously my predecessor took this matter. I would like to assure you that so do I," he said.

Mr. Whitelaw tolds MPs that a study was being made of the issues in the case of Malone vs. Commissioner of Police for the Metropolis.

When the outcome of that study was known, he would report to the Commons on the question of whether legislation was neded to provide a statutory framework for official surveillance.

Mr. Merlyn Rees, former Labour Home Secretary, agreed that authority for telephone tapping was given by the Home Secretary personally and "not done nominally."

And Mr. Alan Clark (C., Sutton) said surveillance was "an essential element in the broad spectrum of law enforcement."

Mr. David Steel, Liberal leader, suggested that public concern was roused not by the fact that surveillance took place as much as the scale on which it occurred.

Mr. Whitelaw replied that it had never been Government practice to give the number of cases involved.

The Prime Minister later rejected an invitation from Mr. Clement Freud (L. Ely) to "tell the House exactly what is going on" in Ebury Bridge Road.

There was effective political control of the security services and effective ministerial control of telephone interceptions, she said.

Replying to Mr. Robert Sheldon (Lab. Ashton under Lyme) who demanded assurances that MPs' telephones were not being tapped, Mrs. Thatcher said there had been no change in the practice announced under the Wilson Government.

Hugh Routledge

AUTHORITY: Mr. William Whitelaw leaves yesterday's Cabinet meeting.

Unions' strike fund pressure

BY ELINOR GOODMAN

THE Government may try to use voluntary persuasion in the first instance, rather than the law, as a way of making unions contribute more of their own funds towards supporting members on strike.

One idea now circulating in Whitehall is that the unions should be informed of the Government's determination to make unions pay more towards helping those members involved in strike action.

Ministers would make it clear to the unions that, unless they themselves took steps to ensure that members of wealthy unions were not left to rely on state assistance when on strike, then the Government would have to cut the legal entitlement of strikers' families to supplementary benefit.

Studies by the departments involved have so far indicated very considerable problems surrounding the party's manifesto promise to ensure that unions bear their fair share of the cost supporting members on strike.

The manifesto was not specific about how this should be done, but the expectation was that the Government would try to work out some formula under which strikers would have been "deemed" to have received strike pay for the purpose of calculating the entitlement for benefits, even if they had received nothing from the union.

Reports of supplementary benefit claims being made by steel strikers whose unions are not paying them strike benefit has intensified the Government's search for a solution. But, as Mrs. Thatcher made clear on television shortly after Christmas, the Government's "deeming" idea is fraught with problems.

Non-union members affected by a strike could end up being financially penalised because they were not getting any money from a union.

There would also have to be some kind of hardship clause. Nevertheless, some Ministers argue that it must be possible to find a solution, and that, in the meantime, maximum pressure should be put on the unions to start paying out more benefit voluntarily.

In the Commons yesterday, the Prime Minister appeared to start this process. In reply to a question from Mr. Peter Emery, (C., Honniton) she said that, though the Government was not about the bring forward proposals on this subject, she would expect trade unions who brought out their members on strike to contribute to their upkeep.

At question time, Mrs. Thatcher also emphasised that the Government had no intention of taking any action to deal with secondary picketing, other than the proposals in the Employment Bill now going through the House.

She confirmed, however, that the Department of Employment would shortly be publishing proposals to restrict trade union immunities, as the Employment Secretary had promised on television on Wednesday night.

In the Lords, Earl Gowrie, the Employment Minister, said that the Government believed that there should be guidance on the number of pickets included in any guidelines following the employment legislation.

Labour detects policy shift on EEC budget

BY JOHN HUNT AND IVOR OWEN

THE PRIME MINISTER found herself in increasing difficulties in the Commons yesterday over her attempts to get a massive reduction in Britain's £1bn annual budget contribution to the EEC.

Mrs. Thatcher's claim that the European Community is "moving towards our position" on the budget, was greeted with hoots of derisive laughter from the opposition.

Mr. James Callaghan, Opposition leader, took full advantage of her discomfort and repeatedly challenged her to say whether she had modified her position since her tough pronouncement before the Dublin summit.

Demand

The questioning followed Mrs. Thatcher's meeting this week with Sig. Francesco Cossiga, the Italian Prime Minister and current President of the European Council. This had dashed any hope of an emergency EEC meeting to discuss Britain's budget demand.

The matter is likely to be raised at the next scheduled summit in March.

Mr. Robert Parry, (Lab., Liverpool, Scotland Exchange) described the meeting with Sig. Cossiga as "farcical." He warned the Prime Minister that if, as a result, she had to make even bigger cuts in Government spending she was heading "for the biggest confrontation with the trade union movement and the Labour movement since the war."

Mrs. Thatcher told him that she could not accept that premise. In no wav had the meeting been disasterous. Although the leaders of the Community were moving towards Britain's position she had "made it perfectly clear that they are not moving far enough or fast enough for my liking."

Mr. Callaghan said that he hoped she was right in her assertion. But he suspected that it was truer to say that we were moving towards the EEC position.

He wondered if she had departed from her earlier insistance that there should be a 'broad balance in Britain's EEC contributions and receipts.

The Prime Minister doggedly retorted that she stuck to what she had said in the House following the Dublin summit. "We seek a genuine compromise but we have very little room for manoeuvre." She had made it clear at Dublin that the UK would not be "palmed off with £350m."

There were more opposition taunts as Mr. Peter Temple-Morris (C. Leominster) tried to come to the Prime Minister's rescue with the suggestion that the whole country was entirely behind her in her Budget stand. He thought her task would be easier if she received a little support from the opposition.

Mrs. Thatcher agreed and assured him that as a result of her stand at Dublin, some of her European colleagues had emerged from the discussions "a lot more shaken than I was."

The Prime Minister was accused of "an appalling retreat" in backing down from her original demands for a reduction in Britain's net contribution to the EEC budget by Mr. Peter Shore, Labour's shadow Foreign Secretary.

Amid Opposition cheers, he described it as "one of the most public humiliations that we have seen for a very long time."

Mr. Shore maintained that the failure to arrange a special EEC summit in February to resolve the issue meant that British taxpayers were likely to be faced with £1bn additional public expenditure in the coming financial year.

It was presumably to avoid this dilemma, he said, that Mrs. Thatcher originally stipulated that arrangements to achieve a broad balance between Britain's contributions and receipts should be agreed "no later" than the EEC Dublin summit at the end of November.

Mr. Shore suggested that the full extent of the Prime Minister's retrat and humiliation had been made all the more obvious by a statement by Sir Ian Gilmour, the Lord Privy Seal, indicating that Britain's budgetary problem was not a firm item on the agenda for the meeting of the EEC Finance Council to be held on February 11.

Dealing with the business likely to be on the Council's agenda, Sir Ian had earlier told MPs: "There may be some discussion on ways in which Community expenditure in the UK could be increased."

Mr. Shore stormed: "There may be some discussion—what has happened to all those bold and brave pronouncements by the Prime Minister?"

Sir Ian retorted that the fact that the budget issue did not appear on the agenda of every sinle council meeting did not justify talk of a great retreat.

Farm research limit

BY JOHN HUNT

THE GOVERNMENT took a cautious attitude in the Commons yesterday to the Royal Commission's recommendations for more research and better control of pollution resulting from agriculture and the use of pesticides.

Mr. Tom King, Environment Minister, hinted that the scope for Government action was restricted by public-spending limits. A Government had to establish "clear priorities" for limited funds and had to give thought to the resource implications of the proposals.

Nevertheless, he promised that the Government was considering the 80 recommendations in the seventh report of the Royal Commission on Environmental Pollution, entitled "Agriculture and Pollution."

From the Labour front bench, Mr. Gordon Oakes said that public spending did not always amount to waste. In this instance, the recommendations could produce big savings for farmers, the environment, the public, and the country.

'Remove post monopoly'

BY JOHN HUNT

THE Prime Minister indicated in the Commons yesterday that eventually she would like to see the removal of the Post Office monopoly of the delivery and collection of letters.

Answering a question by a Tory backbencher, she made an *implied criticism* of the Post Office decision to increase the first class postage from 10p to 12p on Monday.

She also had harsh words for the monopoly exercised by some nationalised industries.

Despite the strong terms used by Mrs. Thatcher, the Government has no present plans for removing the monopoly although some Tory backbenchers have repeatedly urged that mail delivery and collection should be thrown open to private tender.

On Wednesday Sir William Barlow, chairman of the Post Office, told a Commons select committee that the ending of the postal monopoly would bring a "net dis-benefit to the community."

He said he had no indications from the Government that it was considering a breach of the monopoly.

At the sametime, however, he indicated that the twice-daily delivery in towns and cities might have to go and that the Post Office would like to abandon the statutory obligation to deliver to every door.

Mr. Robert McCrindle (Con., Brentwood and Ongar) yesterday pointed out to Mrs. Thatcher that there was no mnopoly in the collection and delivery of newspapers and parcels. He asked her whether she had considered if there remained a justification for the monopoly in the collection and delivery of letters.

Social democrats pick 11 Left-wing targets

BY ELINOR GOODMAN, LOBBY STAFF

ELEVEN leading Left-wing MPs on Labour's ntaional executive wil be challenged at the next election by candidates claiming to represent the true voice of Labour moderation if the Left continues to increase its influence in the Labour party.

The challenge came yesterday from the Right-wing Social Democratic Alliance which was founded by former Labour councillors who have either split from their local Labour parties, or are in the process of being expelled.

The alliance said it was preparing a list of candidates who would be prepared to fight "extreme Left-wingers" if the Left tightened its grip on the Party.

Among those they said they would oppose in elections were Mr. Anthony Wedgwood Benn and Mr. Eric Heffer.

Their declaration is bound to spark off another row in the Labour Party over extremism—this time from the far Right-wing of the party. If they did put up their own candidates it could split the Labour vote and help Tories get elected.

The alliance also produced "a statement of aims" and announced its intention of setting up an organisation to propagate the "best traditions of Gaitskellite social democracy."

The organisers made it clear that they would like the alliance to become a refuge for moderate Labour MPs ousted by Left-wingers in their local party.

For the moment, however, the alliance can only claim about 1,200 members and a handful of affiliated organisations—all ones set up to challenge official local Labour parties. They have no links with any nationally known politician but they claimed yesterday that they were responding to a "ground-swell of opinion at the grass roots."

As far as they were concerned, the breaking point with the Labour Party would come if the Left won the argument over all the constitutional reforms being considered by the party.

In declaring its readiness to put up candidates of its own, the alliance effectively took itself beyond the pale of the Labour Party which until now it has claimed to be trying to reform from within. Challenging official Labour candidates is a breach of the Party rules which the extreme Left-wing Militant Tendency—the object of much of the SDA's venom—has been careful to avoid.

The challenge also makes it even more difficult for any Labour MP to publicly ally themselves with the group. Most moderate Labour MPs would argue that the SDA is an irrelevancy. Nevertheless, some senior Labour politicians share its fear that the Left will end up splitting the party in two.

The alliance, which claims to have produced much of the evidence used in Lord Underhill's report on infiltration by the Militant Tendency, has already embarrassed moderate MPs by committing the cardinal sin at the last Election of urging Labour supporters not to vote for certain Left-wing candidates, under the Labour banner.

Though yesterday the organisers were equivocal about whether they were setting out to start a new party, their literature made it clear that their recruitment drive was aimed outside the Labour ranks.

Membership of thet Labour Party is no longer a condition of membership and their "statement of aims" would probably appeal to as many Tories as it would to traditional Labour supporters.

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MANAGEMENT

EDITED BY CHRISTOPHER LORENZ

John Moore in London, and **David Lascelles** in New York, report on the background to Marsh and McLennan's bid for C. T. Bowring

The American foot in Lloyd's door

AS hundreds of guests arrived on board HMS Belfast on the River Thames last July, a serious domestic drama was being played out behind the scenes between their joint hosts, C. T. Bowring and Co. and Marsh and McLennan of the U.S., two of the world's most important insurance brokers.

The guests had been invited to a lunch by Bowring and Marsh to mark their joint participation in sponsoring some of the effort for the Transglobe Expedition, headed by Sir Ranulph Twistleton-Wykeham Fiennes. It seemed to be the only outward sign that the two insurance brokers were indeed attempting to accomplish a link up.

Breakdown

Barely six weeks earlier it had become apparent that a planned profit-sharing link-up of the two groups was not going to work because of the cumbersome tax, regulatory and legal problems—although discussions had been in progress for nearly a year.

When the plans for a profit-sharing arrangement were abandoned at the end of May last year, discussions continued; a number of possible structures for a formal transaction, including that of a merger, or a limited merger, with Marsh of Bowring's insurance broking interests were examined.

The breakdown of the talks shortly before Christmas prompted Marsh to come forward with its £237m bid which is now being so fiercely resisted by Bowring.

The issue is simple: Marsh wants to run Bowring and has the muscle to do so. Bowring, for its part, is even prepared to put at risk a 73-year-old business relationship with Marsh to remain independent and retain its identity. This could be some sacrifice for Marsh produces up to a fifth of Bowring's insurance broking volumes.

The collision of Marsh, the world's largest insurance broker, with C. T. Bowring was almost inevitable and owes much to the differences in temperament of the two groups' managements.

Bowring began as a family concern in 1803 when Benjamin Bowring opened a shop in Exeter as a watchmaker, silversmith, jeweller and engraver. The group has tried to cultivate and sustain its cosy family image ever since, although Bowring's family interests probably only represent around 11 per cent of the shares.

The founder later moved to Newfoundland and started a ship's chandlers, which later led to other trading activities. Bowring bought ships and later set up a firm of insurance brokers to handle the insurance of the ships and their cargoes. By the 1830s the group was once again based in England.

In 1964 Bowring obtained a public quotation on the London Stock Exchange. Pre-tax profits in 1964 were £2.16m. The group had a total staff of around 3,000. In the last reported financial year for 1978 Bowring declared pre-tax profits of £38.6m and the number on the payroll stood at 9,600.

Insurance broking has been Bowring's principal earner for years although the group's activities encompass banking (Singer and Friedlander), credit finance (Bowmaker), shipping and engineering. The group also owns three insurance companies and has extensive underwriting interests at Lloyd's of London, the hub of the UK insurance establishment.

Bowring's insurance broking operations are much smaller than Marsh's; Marsh's earnings from broking commissions and fees are about treble that of Bowring's.

Against this disparity in the size of the two groups—Bowring ranks seventh in the world league of insurance brokers with Marsh in top place—run the various aspirations of the Bowring Board. Peter Bowring, 56, a descendant of the founder, chairs that Board, which has always been headed by a member of the Bowring family. He has progressed to the top of the group via general trading activities (which contributed £1.2m to total profits in 1978) and has held the position of chairman since May, 1978.

Autonomy

Group managing director is Gilbert Cooke, who had spent most of his career with Bowmaker, the credit finance company which was acquired by Bowring in 1969. Bowmaker contributed around £10.5m to profits in 1978. Ivor Binney, 50, heads the insurance operations which contributed around £26m to profits in 1978. Binney after doing his National Service started with the group as a clerk in 1950 in one of the insurance departments, and has steadily risen through the ranks. He is a member of the Lloyd's of London committee and was responsible for initiating the talks with Marsh and McLennan in June 1978.

The remainder of the board is a mixture of family interests and representatives from the group's other activities. Each operating subsidiary has a large degree of autonomy and answers to the parent on such issues as resources, acquisitions or merger policies, and large items of capital expenditure.

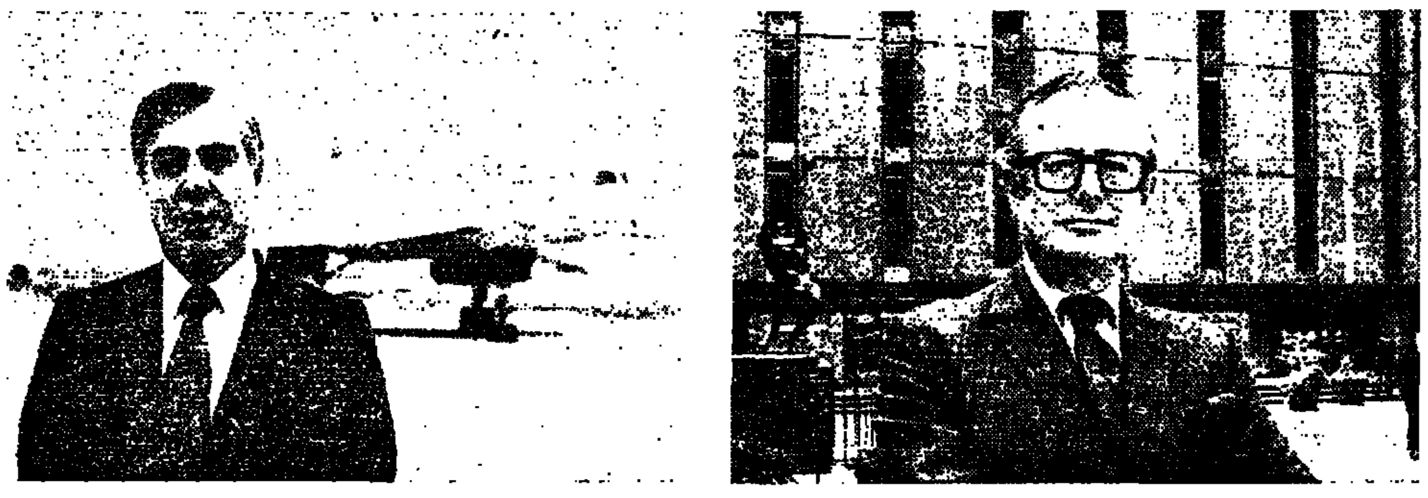
The insurance interests on the board believe in the principle of establishing closer links with the U.S. market—where 50 per cent of the world's insurance premiums are generated—through a formal relationship with a large U.S. broker. The representatives from the group's non-insurance activities are distinctly cool towards a formal relationship with a foreign insurance broker which may have no appreciation or regard for their own activities; while a number of the family interests prefer the group to remain independent.

Even the most opportunistic of the insurance men on the board may have cold feet about committing a pillar of the Lloyd's establishment to such powerful U.S. hands. But if Marsh produces the right price for Bowring sustained resistance could prove difficult.

For the moment Bowring is fighting against the Marsh juggernaut by appealing in characteristic paternalistic fashion to the hearts and minds of the workforce to aid it in its battle. Bowring could appeal to more than sentiment. It could raise a powerful political lobby to block the bid through a Monopolies Commission reference. And if Lloyd's wants to gain time while it sorts out its future attitude to the foreign ownership of a Lloyd's broker—as its rule which limits ownership of Lloyd's brokers by outsiders to 20 per cent crumbles—it may be that Lloyd's will support Bowring behind the scenes.

Publicly, of course, Lloyd's will attempt to do nothing which could possibly give any offence to Marsh and McLennan, its most important producer of business.

J.M.



John M. Regan jr (left): Heading the "megabroker" that originates one-tenth of all the business that reaches Lloyds, and Peter Bowring: trying to sustain a cosy family image

MARSH & McLENNAN COMPANIES, INC.

$000

	1978	1977
Total insurance brokerage	325.8	289
Employee benefits consulting	95.4	85
Investment management	24.0	23.2
Other services	8.4	8.2
Interest income on fiduciary funds	21.4	72.7
Total operating revenue	475	418
Operating expenses:		
Compensation and employee benefits	235.1	205.5
Other operating expenses	110	97.3
Total operating expenses	345	302.8
Operating *income*	130	115.2
Total other income	18.2	12.2
Pre-tax profit	148	127.4
Provision for income taxes	79.8	71
Net *income*	68.2	56.4

C. T. BOWRING'S PROFITS SOURCE

	1978 £m	1977 £m
Insurance Broking	21.3	20
Insurance Underwriting and Lloyd's Agency	4.6	3.6
Credit Finance and Engineering	12.5	9.2
Banking	2.7	1.8
Trading, Shipping and Property	1.3	1.3
Group Central Services	(1.2)	(0.6)
	40.3	35.4
Less Loan Stock Interest	(2.6)	(2.7)
Profit for the year	38.6*	32.8

* Accounting basis changed.

MARSH and McLennan's latest annual report sports a glossy colour photo-portrait of its chairman, John M. Regan Jnr., standing sternly, hands-in-pockets on the tarmac at Kennedy Airport with a British Airways Concorde taxiing past in the middle distance.

It is a fine study in the alliance of cool professionalism with high technology—just the image that Marsh likes to convey. But it also has something of the toughness and global reach that have made Marsh by far the largest insurance broker in the world today. In a business which consists mainly of small, tight-knit operations turning over a few million dollars a year. Marsh has revenues of over half a billion and is represented in some 60 countries. Its closest competitor is only two-thirds as big.

And such is the size of the U.S. insurance market that Marsh estimates it originates one-tenth of all the business that reaches Lloyd's of London, the world's most important insurance centre. Few people at Lloyd's dispute this claim, and even argue that the contribution is probably a lot higher.

This is the somewhat awesome "megabroker" now bidding £237m for C. T. Bowring, the UK financial services company which has large Lloyd's of Lodon brokerage interests. The deal is hotly contested; but few people familiar with Marsh and the determined men who run it expect the bid to fail unless the bid is stymied by the UK authorities. Indeed, Regan has spent many hours criss-crossing the Atlantic in Concorde in pursuit of his goal.

Aggressive

Despite its aggressive reputation, though, Marsh likes to call itself a "family" of companies. This cosy tag seems to have been chosen partly to draw its many subsidiaries together into one harmonious unit; but partly too, to emphasise the management structure in which the parent company is very much that: the leader and wielder of authority.

Based in a skyscraper in Manhattan's Rockefeller Centre, Marsh operates in three broad business areas: insurance services, employee benefits consulting (through its William M. Mercer subsidiary) and investment management (Eberstadt and Putnam). By far the largest segment is insurance services which account for about two-thirds of revenue. But it is a measure of Marsh's size that William M. Mercer is also the world's largest employee benefits consulting organisation.

The insurance services are broken down into property/casualty, marine/aviation and reinsurance, the latter being handled by the company's subsidiary, Guy Carpenter.

Under the twin leadership of John Regan and Robert Newhouse, the president, Marsh has gone aggressively for growth in the 1970s, virtually doubling its revenues in the last five years. Part of this was achieved by expanding Marsh's business in the U.S. But believing that the best prospects lie abroad, Marsh also steadily built up a large overseas network of affiliates and correspondents which now give it a presence in most countries of any importance.

Marsh's strategy has been, where possible, to go for joint ventures with local firms rather than build up its own business from scratch, a policy based on the view that a presence can be established more quickly and effectively that way, especially if the partner is a leader in the local field.

Britain, though, was different. Marsh never established an operation of its own there despite London's importance. This was partly because Lloyd's rules make it hard for foreigners to participate directly in Lloyd's business. But another reason was the long-standing relationship that Marsh had built up with two London brokers, Sedgwick Forbes and Bland Payne, through whom it channelled most of its considerable business.

But Marsh clearly resented its inability to get closer to Lloyd's. In the mid-1970's, Regan pointed increasingly to the incongruity of the U.S., and Marsh in particular, generating huge amounts of insurance and commissions for Lloyd's without being able to participate directly in the exchange.

It was against this background that Marsh started talking to Bowrings about the possibility of a "business combination." The phrase was carefully chosen since it was clear that Marsh would have difficulty in taking over Bowring outright, given Lloyd's rule limiting outside ownership of its members to 20 per cent.

However, the talks began to sour, and several proposals foundered mainly, it would appear, over the question of who should control the proposed combination. Marsh offered to share top positions and even change its name to accommodate Bowring, but this cannot have concealed the fact that Marsh would end up as the dominant partner.

Frustration

Finally, in frustration, Marsh announced last December that it was considering a take-over.

On the face of it, this was surprising since Bowring was bound to put up a fight, and Lloyd's was for the moment likely to stick to its 20 per cent rule. However, the top men at Marsh had clearly considered the position carefully, and concluded that they could achieve their aim despite these obstacles.

There is always a danger that it will end up buying a company which has been deserted by its most valuable asset—people. But this danger, which Marsh could presumably make good with the help of fat salaries, would not offset the huge benefit to Marsh of finally gaining direct access to Lloyd's.

As an experienced New York observer of Marsh put it: "Marsh is less interested in Bowring than in an entry ticket to Lloyd's."

D.L.

Technical News

EDITED BY ARTHUR BENNETT AND TED SCHOETERS

● COMPONENTS

Controlled force from tiny unit

A SMALL thrust producing unit called Micropush, a combined miniature power valve and pneumatic cylinder, is able to produce a linear force of up to 7.8 kgf and can be switched by solid state electronics

It consists of a 10 mm bore x 20 mm stroke single acting power cylinder integrally mounted with a three-way power valve. Overall dimensions are 15 x 15 x 96 mm.

The maximum force of 7.8 kgf is produced at the maximum operating pressure of 10 bar. The company points out that to obtain this with a direct acting solenoid with an equivalent stroke would need a very bulky unit with high power consumption which would not be capable of rapid switching.

Micropush can be operated direct from semiconductor circuits and can cycle at up to 800 strokes/minute. Minimum operating pressure is two bar, when a force of 1.4 kgf is produced. The device takes 2.5 watts dc.

More from the makers, 25, Mitre Street, Buckingham, Bucks MK18 1DW (02802 4393).

Actuators more reliable

USE OF pneumatic vane actuators in power operations of ¼-turn applications (e.g rotary valves) has presented designers with a devil and deep blue sea choice, says Hytork, 11 York Road, Gloucester (0452 418291).

Cost acceptable units tended to leak excessively, and precision sealed units were considered too expensive.

In order to combat this situation, the company has now introduced a new range of vane actuators which combine a rubber encapsulated cast aluminium vane — the only moving part — with a body moulded in glass reinforced polyester resin, which also provides a high corrosion resistance.

The marrying together of the close tolerance on the vane and the excellent surface characteristics of grp make it possible to achieve highly effective sealing in a unit which offers overall lightness, high strength, and maintenance-free reliability at a competitive cost.

The actuators can be operated with dry or moist air, water, compatible hydraulic fluid or any other suitable media.

● METALWORKING

Machines both ends

ONE OF the machine tools that will become available from TI-Brookes as the result of an agency agreement it has just finalised with Economy Machine Tool Corporation of Ohio is the model 53 double end finishing machine.

A fully automatic unit, it is chute loaded and can machine a point, mill a hollow, chamfer or ream both ends of cylindrical workpieces. It can cycle at up to 4,800 times an hour and is actuated entirely with electrically interlocked hydraulics.

Single machining operations or combinations can be performed on straight, round work blanks up to 38 mm solid or 70 mm outside diameter tubing. Minimum part length is 38 mm and the standard maximum length is 308 mm. Longer components can be accommodated at special request however.

This machine has two in line opposed tool spindles each controlled by a separate drive, either fixed or variable according to the application. Feed for each tool head is by two dials which give infinite variation by controlling flow to hydraulic cylinders.

More from Brades Road, Oldbury, Warley, West Midlands B69 2DL (021-552 5311).

● ENERGY

More miles and much cleaner engines

TWO OF the most emotive *issues challenging man's intellectual* resources today are energy conservation and environmental protection. Following on from the conversion of any old rubbish into acceptable sources of fuel for industry is the present recapturing of a hitherto wasted by-product of oil—liquid petroleum gas.

This has to be burned off, quickly, from the oil, and has been dissipated into thin air . . . but now the OPEC countries may insist that we import quantities of this gas as part and parcel of our oil import commitment. Yet LPG can come into its own as a vital substitute (if not, eventually, a replacement) for petrol in running a fleet of vehicles for industry and, subsequently, the family four-seater.

A company which believes a motor-car can be run on the same fuel as that used in a throwaway cigarette lighter has built its reputation in the field of car air-conditioning (its yard is bulging with Rolls-Royces and standard up-market motors). Implementing the same code of scrupulous atten*tion to engineering and service*, it offers a conversion package *called Alpinair Autogas to those* who can't afford the headache of rising oil prices but relish the opportunity to play cost-saving games for—at least—the next few years.

Cynical technology reporters and others are assured that it is not in the interest of this government (or any other) to slap a prohibitive tax on LPG, when the world's concern is with the exploration of alternative sources of fuel and, since the 1974 crisis, a transfer from oil to an acceptable substitute.

As oil prices rise, of course, so will those of LPG. At the moment, however, give or take a few pence, the latter is a modest 68 pence a gallon. Present estimate shows a transfer to gas promises a 100 per cent saving. . . .

How is it done?

First of all, vehicles will have to go through the mill in the yard at Alpinair, 174, Honeypot Lane, Stanmore, Middx. (01-204 9633)—although a number of regional depots are under way.

Installation usually takes less than one day to complete. Necessary components are a tank with a filling and drawing *valve and built-in level gauge.*

Autogas fuel is drawn from *the tank in liquid form, pushed* along the pipes by the pressure existing in the tank, and the liquid gas is intercepted first by an electrovalve where it is *filtered and passed to a vapor*iser (this also switches off the gas when the engine is not running and then the selector is turned off for petrol use only).

The gas is vaporised by warming it up by water taken from the engine cooling system, decompressed in various stages to the atmospheric pressure, and finally passed to the mixer in the exact quantity needed by the engine.

Fitted to the vaporiser is an electromagnetic control to facilitate the starting of the engine without petrol—especially on these frosty mornings. The mixer, connected to the vaporiser by a steel braided tube, mixes air with the gas in the right proportions just as the carburettor does for petrol.

Finally, the system has an electro magnetic valve placed between the fuel pump and the carburettor which intercepts the petrol and regulates the flow of petrol to the carburettor according to the fuel used.

All the equipment is placed within the engine compartment *and the gas tank is usually* situated within the vehicle's boot—or under the floor, depending on the type of vehicle.

When the switch from petrol to gas is effected there is hardly a hiccough . . . but there is the unquestionable (and unseen) benefit of no filthy exhaust. Lead deposits and other residues, such as carbon, are inherent in exhaust emittance from a petrol driven vehicle.

Virtually no maintenance is necessary—just a small annual service, says the company. Because a vehicle runs cleaner, *its engine needs less servicing*, there will be fewer oil changes and longer spark plug life.

Petrol pilferers may well have had their day because Alpinair Autogas cannot be siphoned off and, with the fuel selection switch in the intermediate position, the vehicle cannot easily be started by a thief.

Prime consideration is the supply of fuel. The company hopes that soon all motorway service stations will be serving the gas. Owners of a large fleet, however, will find it advantageous to have their own bulk-storage system.

A large number of gas service stations exist all around *the country, says Alpinair*, evidenced by the growing demand for LPG. Car makers Bristol, Volvo and Fiat are installing it as an optional extra, and Rolls-Royce has been testing its engines on gas for many years. Many councils, also, run their buses and coaches on the fuel and some provincial constabularies operate their vehicles on gas.

Those who are jaundiced with escalating motoring costs, petrol queues and forecourt closures may take heart from the example below:

Vehicle covering 20,000 *miles* per annum at 25 mpg
800 gallons used at, say. £1.30 .... =£1,040
Using LPG, cost equivalent .... =£ 560
(assume 10 per cent less efficiency for LPG)

My shopping basket on wheels is a Mini GT (under 60 miles a week) and would cost something like £300 to convert—so at the moment, LPG is not for me. Also the inclusion of the Alpinair gas tank would seriously inhibit boot space. However, as time goes by, and oil prices inevitably rise, the long-distance private motorist will consider LPG as a viable alternative and this will surely determine the design of motorcars in this decade.

DEBORAH PICKERING

Turns waste to fuel

A NEW development which converts common industrial waste to solid fuel, to be used by industry as an alternative to other energy sources for generating heat, steam and electricity, is announced by Leigh Interests, The Waste Management Centre, Lindon Road, Brownhills, Walsall (Brownhills 5151).

First plant for Leigh Fuel has been commissioned by Polymeric Treatments (subsidiary of Leigh) at its Killamarsh works in north Derbyshire.

The company says that the Central Electricity Generating Board has already taken supplies for full scale burning trials with excellent results. The Killamarsh plant will make up to 50,000 tonnes of the fuel in the first year and plans to expand in the near future.

Tars, paints, heavy oil sludges—all presently thrown away on to tip sites—can now be used to make the fuel. The process can also recover the energy potential in wastes produced from coal mining, such as colliery shale and coal washings, and even oil spills at sea washed up on beaches can be used for the fuel.

● TEXTILES

Distortion of fabrics prevented

WHEN FINISHING and setting knitted fabrics there is a danger that the fabric will be distorted and set in a stretched condition so that it is effectively a lighter weight than intended. One way of obviating this problem is to ensure that the number of courses, or rows, of stitches are held to a specific count. If these are controlled to a set number of courses per cm or inch then the fabric should be consistent.

A system of automatically counting the courses during stenter drying has been developed by Eltex Instruments (23, Higher Hillgate, Stockport, SK1 3ER. Tel. 061-477 3983). It is a compact, solid state system that is able to be fitted to existing stenters at comparatively low cost.

The automatic course counter operates on a stroboscopic principle, projecting a beam of light through the moving fabric and showing this against a taper line grating which is viewed through an adjustable mirror. The flash rate will vary according to the speed at which the fabric is being processed and it can be adjusted very simply by the operative running the machine.

A series of different gratings are supplied so that different weights of cloth can be checked for the number of courses per inch. The system may also be used with lightweight woven fabrics when it is required to check the number of picks per inch, although it will obviously not be suitable for materials that are opaque.

● HANDLING

Distribution by air

ACCORDING TO D. D. Lamson, the company's system that is widely used for the transport of documents could equally well be applied to the transport of electronic components from stores to point of need in factories and workshops.

The system, called Circuit-Link could, says the company, save "thousands of pounds a year for computer manufacturers" and would involve the installation of a direct air tube link between the point of supply and use. Systems can be programmed to serve any number of receiving stations throughout a factory.

One Lamson executive states that "it is a strange fact" that computer makers themselves, working in such technically advanced systems, still use antiquated methods for component distribution.

More from the company at Harbour Road, Gosport, Hants (07017 87311).

● MATERIALS

Laminate plant

AGREEMENT has been reached in principle by General Automation and Matra S.A. on a joint venture to design and build a factory near Nantes, France for the production of high technology laminates that are used in printed circuit boards.

Capitalisation is over $6m and General Automation's subsidiary Lamination Technology of Santa Ana, California, will be providing the technology and manufacturing knowledge to build and design the plant as well as marketing support to generate a European customer base.

General Automation's UK office is at 43 Windsor Road, Slough, Berks. (Slough 7233).

● EXHIBITIONS

Canada to show its capability

CANADA'S offshore capability will be emphasised at the Oceanology International 80 exhibition to be held at Brighton, Sussex, from March 3 to 7.

Eight Canadian companies and a government agency will join forces to show equipment ranging from submersibles and deep towed instruments to temperature and depth measuring systems, moored and drifting buoys.

With a 240,000 km coastline in diverse environments and the responsibility for 5.2m square kilometres of ocean Canada reckons it has a testing "ground" as good as, if not better than any other country.

THE PROPERTY MARKET

BY MICHAEL CASSELL

'Cosy' institutions still over-reacting

THE CONSERVATIVE approach of funding institutions towards property development is stifling the supply of badly needed investment property, according to Julian Markham, chairman of Glengate Properties.

Mr. Markham says there are signs everywhere that new development and refurbishment is required but that little real progress can be made "within the cosy guidelines of current institutional thinking."

In claiming that the institutions and their advisers exercise "unwelcome and heavy influence" on the entrepreneurial skills of developers, Mr. Markham says they continue to over-react to the last property crash and have become blinkered to the extent of considering "prime and nothing but prime" property.

The troubles of the mid-1970's, he adds, all but destroyed the traditional developer-institution relationship and while the reaction may have been logical and even reasonable the time has now come for a reappraisal.

He concedes that the institutions are themselves adopting the role of developers and that small development companies are being used by the funds as project managers but claims that "an incredibly successful British development record was not founded by following this secure but conservative trustee path."

Mr. Markham is in no doubt that the "imagination and flair" which created the last boom is still there to be tapped and that sound developers who understand the requirements of the institutions can, given the chance, provide a fresh supply of investment property.

"Contrary to the swingeing conditions imposed as a prerequisite in real estate investment, the institutions are now laudably backing small nursery unit factories and backing venture capital ideas. Why not return to the proven successful partnership of backing the creative developers which had provided the institutions with the bulk of investment property for the last 25 years and more?"

It is worth remembering, however, that few developers have, until recently, been in any position to contemplate the fresh bout of activity which Mr. Markham calls for. While many funds are now acting directly as their own developers, there are enough partnerships around to suggest that the type of relationship he mentions will continue to play a role in the development world. There are, on the other hand, few signs of any impending redefinition of "prime," which would presumably open the door of opportunity just a little wider for all those entrepreneurial skills. The last period of entrepreneurial flair led to a crash as well as a boom.

Rowe & Pitman fills the gap

IN A MOVE which is certain to raise a few eyebrows around the offices of many leading chartered surveyors and estate agents, City brokers Rowe and Pitman are establishing a commercial and industrial property investment service for institutions and other clients.

The new operation, to be known as Rowe and Pitman Property Services, is to be headed by Robert Houston, who has been brought in from Richard Ellis's investment department and who for some years was portfolio manager to Electricity Supply Nominees.

Behind the move is a wish on the part of Rowe and Pitman to fill the fairly obvious gap in an institutional broking service which already extends to UK equities, gilts and overseas securities. It acknowledges the growing volume of institutional funds now going directly into property and the firm's clear intention is to take a share of the fee business which until now it has had to pass on elsewhere.

There have been whispers about such a move on the part of one or more City broking operations for some time. With the main merchant banks already providing property investment advice—to the extent that they now employ chartered surveyors—it was only a matter of time before the broking fraternity left the sidelines and had a go in the marketplace.

The Rowe and Pitman venture is the culmination of more than 30 years' experience in the property share market and the firm claims to have been supported in its plans by more than one agent on the grounds that when a conflict of interest forces them to pass on potential investment clients they find it hard to elect suitable candidates.

Mr. Houston says that he will soon be taking on additional chartered surveyors and plans to build up investment agency, portfolio management and surveying activities before moving on into other areas.

Investment support

"The intention is to support the investment advice we give and obtain experience in commercial lettings and project management. In the fullness of time we wish to provide the services normally expected from investment-surveying practices, but at first we will be concentrating on buying and selling"

Mr. Houston says that the new firm does not yet have any clients lined up and is not looking for overnight success. "It is very early days and if we do one or two deals in the first year then we shall be pleased. We hope to be on the road by June, although we still have to arrange office space for ourselves."

According to Mr. Peter Hardy, who heads the propetry company - research share research and investment department at Rowe & Pitman and who is also a board member of the new subsidiary, a prime target for business will be the medium-sized pension funds, (up to around £50m) many of which are relatively new and which may still be in the process of seeking investment advisory services.

"We regard the move as a natural and logical extension to our existing business. Only three weeks ago we were asked by a group to manage their properties and we had to refuse because we were not ready. We hope before too long to be in a position to give a different response to that type of proposition.

Under the existing rules of the Royal Institute of Chartered Surveyors, Rowe & Pitman will not be eligible to become members but it intends to adhere to its rules and to its commision structure. The firm accepts that it could be several years before it becomes profitable.

Hardly surprisingly, the firm's confidence that its substantial expertise in some aspects of property will provide it with an excellent base for the new venture, is not being fully shared by the big agents' investment men.

The reaction from most was simply that to offer advice on property in relation to other forms of investment was one matter but to go into the market place, locate properties, vendors or purchasers and advise on the price to pay or not to pay was altogether another matter.

Some agents believe the going for Rowe and Pitman could be tough. A senior partner in one firm commented: "The major problem will be finding any worthwhile investment propositions. First of all, they will be offered all the rubbish which no one wants. When they start to go for the good property, contacts will be essential and while they might know a lot about property they can't know much about the market."

Another investment specialist added: "Most large institutions already seek their advice from retained consultants and although there may be some funds around who do not, Rowe and Pitman will need to have established a record of serious and efficient buying before they pick up much business like that.

Expertise

"Most established surveyors have taken years to build up specialist expertise in all aspects of the property market and knowledge of one area is just not enough."

Rowe and Pitman's reply to such criticism comes from Mr. Alan Hurst-Brown, senior partner of the firm. "After 30 years in the property share market we have built up not only a great deal of knowledge but many contacts. We are also in the process of drafting in people who will provide knowledge in those areas where it is lacking.

First stage in the race for Surrey Docks scheme

THE GREATER LONDON COUNCIL and Southwark yesterday began the job of sifting through proposals for the redevelopment of 140 acres of derelict land at Surrey Docks.

Around 15 detailed plans had been submitted when the deadline for entries set by the two authorities closed yesterday. The work of compiling a short list has already begun and by the end of this month the original list of schemes is likely to have been cut in half.

Developers still in the race will then be asked to elaborate on their original plans and details of the necessary financial package to support the schemes will also be required.

So far only Taylor Woodrow has publicised its proposals for Surrey Docks while other contenders have preferred to keep both their identities and their plans under wraps.

However, it is understood that Trammell Crow, the American-owned trade mart specialists, are attempting to revive plans for the site which fell through early last year when the group failed to get Government financial support for the scheme.

Another proposal has come from an unidentified consortium which involves architects Richard Seifert and includes a 540,000 sq ft Brent Cross-style shopping complex, 320,000 sq ft of offices, an industrial park, a 300 bedroom hotel and the possible provision of a monorail system across the Thames.

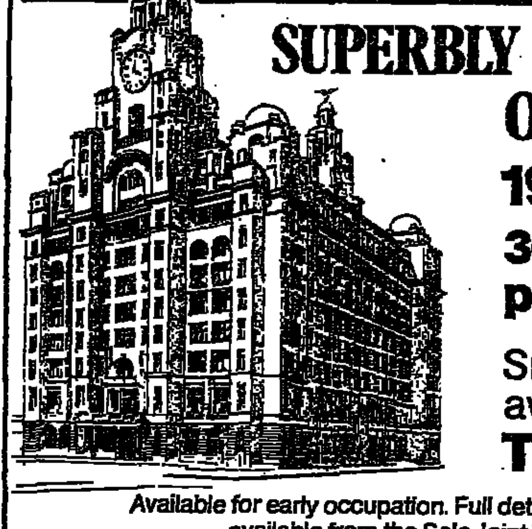
Taylor Woodrow, which this week announced that it was being joined by Wimpey as a consortium partner, has shown none of the reticence of other potential contenders

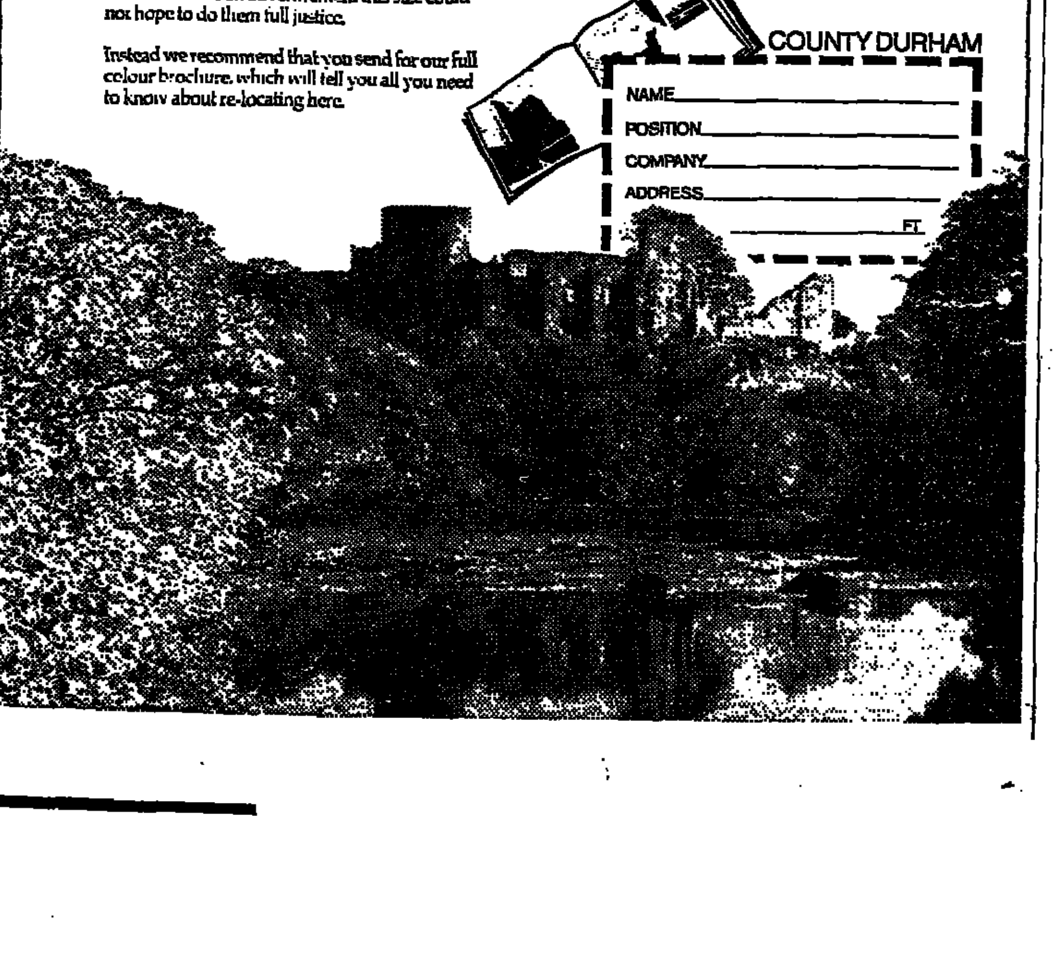
Preliminary marketing for its £400m shopping, office and hotel complex and John Smithers of Healey and Baker, the agents retained by Taylor Woodrow, says names like Tesco, Sainsbury's and Marks and Spencer have written letters of interest which would account for up to 1m sq ft of the 1.7m sq ft of retail space planned.

Hambros will be responsible for gathering finance and the Bank's Christopher Sporberg says work on raising institutional money will start in earnest if the consortium's plans pass the first barrier.

There is still a very long way to go for all those involved. Developers like Taylor Woodrow will be imposing their own conditions on the planning authorities, not least full support to ensure a smooth planning process and the provision of good local communications.

● **The Bank of Ireland has taken a lease on 9,000 square feet of self-contained offices at 3, Lombard Street, EC3. The premises have recently been refurbished by Scottish Provident Institution, the freeholders, which were represented by Jones Lang Wootton. Rent overall is thought to be in excess of £21 a square foot.**





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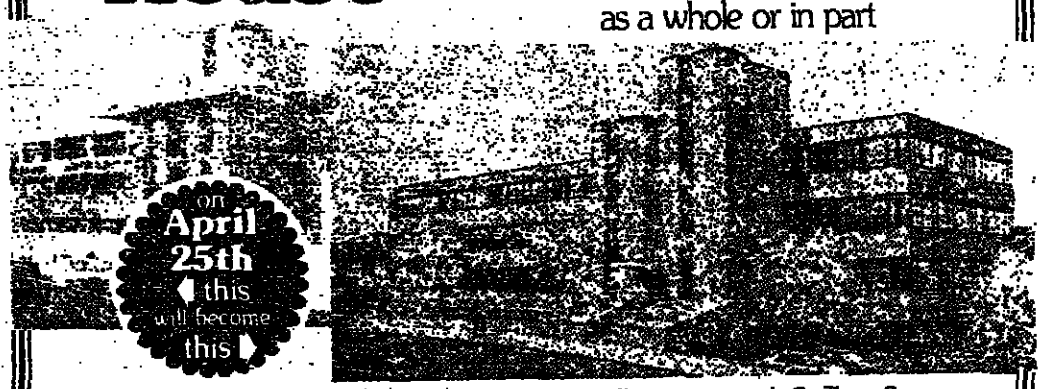

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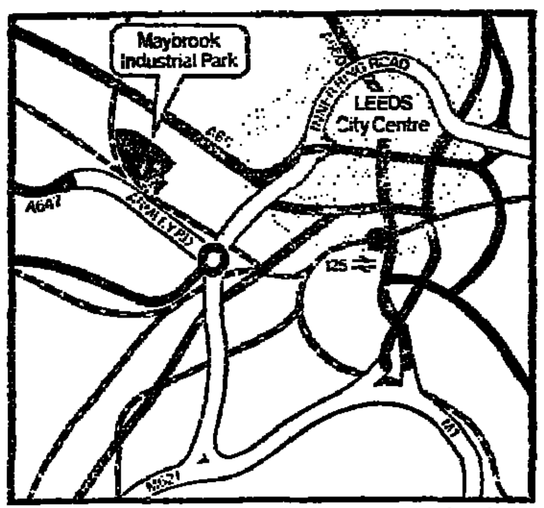

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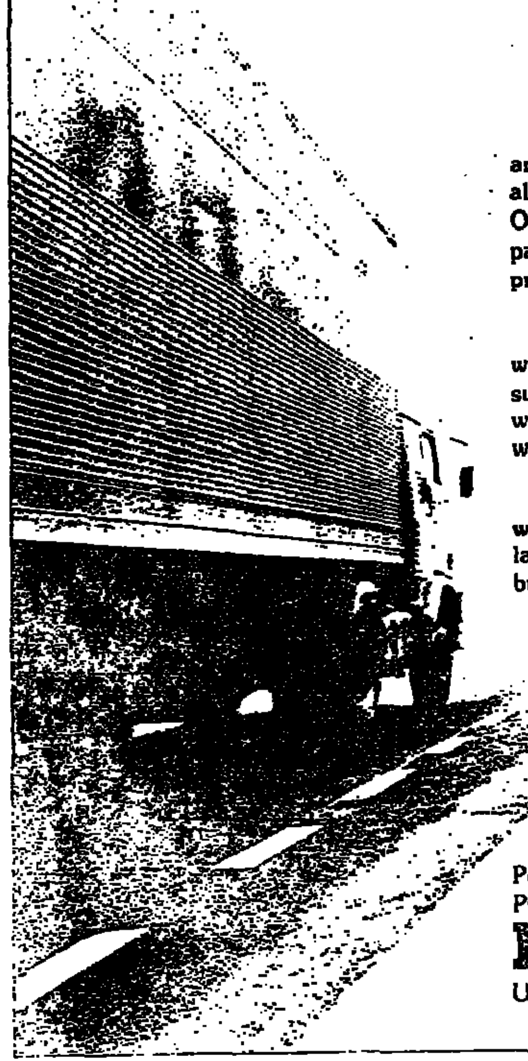

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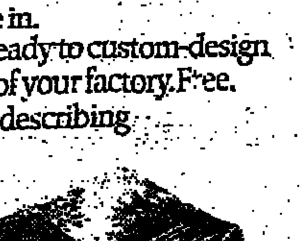

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LOMBARD

Window-dressing at the IBA

BY CHRIS DUNKLEY

THE INCLUSION of the notion of breakfast television in the Independent Broadcasting Authority's announcement about the 1982 licences has, a cynic might say, already more than fulfilled the IBA's wildest dreams. It has provided innumerable newspaper headlines and radio and TV discussions all giving an impression of novelty, dynamism and change in ITV, and has thus ensured that very little attention is paid to the bulk of the authority's proposals the effect of which will be to strengthen and ossify the status quo.

And all by simply flying a kite which, according to some disillusioned franchise bidders, will inevitably fall from the sky thanks to the conditions the IBA have tied on its tail.

Tall order

Although even a Times leader was among those stating unequivocally last week "*For the first time in Britain there will be breakfast television*" (forgetting the disastrous 1977 ITV experiment) the IBA's statement on the new licences actually says quite plainly "The Authority gives no undertaking at this stage that a breakfast time contract will be awarded."

To an outsider's eye the whole business looks highly doubtful. Having stipulated that any contract would be for a service consisting primarily of news, information, and current affairs, starting normally at about 7.00 and running until 9.15 seven days a week, the IBA announce that they would expect to be paid a starting rental of at least £500,000 a year. In view of Yorkshire TV's failure to pull in anything like a profitable number of viewers even by adding *Peyton Place* and cartoons to their news and current affairs schedule in their breakfast time experiment, and considering the inevitable opposition to a new national breakfast time company from the existing local TV companies, that sounds like a pretty tall order.

There are, however, even stronger reasons for suspecting that this eye-catching distraction will amount to nothing come licence day. The idea of breakfast time programmes originates—like so much of television—in the U.S. where all three big networks, ABC, CBS and NBC, run breakfast shows. But of course they run them as part of their over-all programme mix, not as an isolated franchise lacking access to the more profitable time slots. Furthermore although American television has to compete with early morning programmes from local radio stations, it does not have anything comparable to the BBC's popular national breakfast programme *Today* to contend with.

There are other significant differences between the two mass media in the two countries: whereas vast numbers of British kitchens (presumably most) contain a radio, precious few boast a television. In the U.S. 49 per cent of homes contain two TV sets but in Britain the figure is only 15 per cent, most secondary sets here being monochrome. Personal observation suggests, moreover, that the habit of eating breakfast in a dining area within sight of the home's main or only television is much more common in the U.S. than in Britain.

Public opinion

Yet, as the IBA report from their own recent public meetings, the thing that viewers in every locality *do* cry out for is "more television coverage of local affairs and culture." That demand would be met if the IBA were to fulfil the Annan Committee's recommendation that commercial television "should be primarily a regional television service" and the Authority be renamed the Regional Television Authority.

But of course it would be too much to expect action just because public opinion coincides with a £315,000 report resulting from the biggest ever Government inquiry into broadcasting: not when that action would mean the changing of a bureaucracy's title from the misleading "Independent" Broadcasting Authority to a mere "Regional Television Authority." Viewers and government be blowed—talk loudly among yourselves about breakfast television until the time comes to re-award all the old contracts.

The islanders get their oil bonus

BY JOHN GRIFFITHS

AROUND BRITAIN
THE ORKNEYS

IN AN almost literal pouring of oil on troubled waters, the Occidental North Sea consortium this week agreed to pay higher rates than formally required on its oil-handling terminal in the Orkneys, which now carries about a third of the UK's annual requirements. Its willingness to hand over the extra money—likely to amount to about £1.8m this year—underlines its desire to be viewed as a good neighbour to the people of Flotta, the island housing the terminal, and the 18,000 other Orcadians living on the necklace of islands encircling Scapa Flow.

This appears to have ended what for Occidental was its biggest single embarrassment in its efforts to introduce the oil industry harmoniously to an area of natural beauty, and to a community which—with the exception of the brief booms generated by the presence of the military in two world wars—has traditionally made its modest living from farming and fishing.

The rates affair had become a *cause celebre*. Soon after oil started flowing to Flotta from the Piper field in 1977, Oxy (as it is known to the locals) won a 50 per cent derating for the terminal under a 50-year-old law allowing lower rates on process plant, although the "process"—separation of gas from the oil—formed a fairly minor part of the terminal function. But Orkney rates had already risen considerably as a result of providing needed services for the terminal, and if Oxy had won a legal battle, it appeared to be in danger of losing valuable ground in the longer war for Orcadian hearts and minds. That is a war on which Oxy has spent considerable efforts and money, in an attempt to avoid the bitterness and upheavals which have marked the arrival of the larger Sullom Voe terminal in the Shetlands.

Last year, Orkney Islands Council devised a complex strategy to claw back some of its "lost" revenue — by doubling the rate demand then paying rebates to the islanders themselves. Oxy then looked like being a two-times loser: hence the new agreement, which preserves derating only on the gas processing plant, not the entire terminal.

Oxy thus hopes to put relations back on an even keel. Even the islanders who have most reservations about the likely effects of the oil boom concede that, for the most part, Oxy has been a benevolent neighbour.

The terminal's financial benefits to such a small community are very substantial. Apart from an initial "disturbance" payment of £½m to the islanders, and a rates bill this year of over £4½m, Oxy also hands over 3p to the OIC for every tonne of oil passing through the terminal. That adds up, when combined with assorted harbour charges, to over £1m a year.

But the "good neighbour" policy has extended well beyond straight payments. The 80 or so Flottarians, mostly crofters, had their houses wired for electricity at Oxy's expense; Flotta's roads were resurfaced (admittedly after construction work had made a mess of them); a substantial part of the cost of the new community centre was met by Oxy; and the £50,000 Pier Arts Centre at Stromness on Mainland was the personal gift of Oxy's chairman, Dr. Armand Hammer. About £8,000 a year is also being provided during the next seven years to keep it running.

Perhaps the most bizarre gift came when Oxy heard the Stromness Academy needed a piano, it obliged —with a £6,000 grand. Ian McInnes, the headmaster, not wishing to appear churlish, reflects nevertheless that "we practically have to sterilise the air around it."

Thanks to an "Orcadians first" hiring policy, 75 per cent of the terminal's 300 permanent staff are from the islands, some brought home from abroad—a small turn in the historical tide of population drift away from Orkney and similar rural communities.

And armed as they are with a huge and costly array of anti-pollution devices, the work force has far more incentive than a commercial one not to pollute their own doorstep. Mr. Graeme Lapsley, the OIC's chief executive, says that of the nearly 400m barrels of oil which have now flowed through, only 60 barrels have been spilt—and those mopped up quickly.

Yet the benefits—and these now also include a fast boat service for Flottarians allowing them to shop in Mainland daily and their children to come home frequently rather than, as in the past, spend term-time in the hostel close to their Kirkwall school—still come with a price.

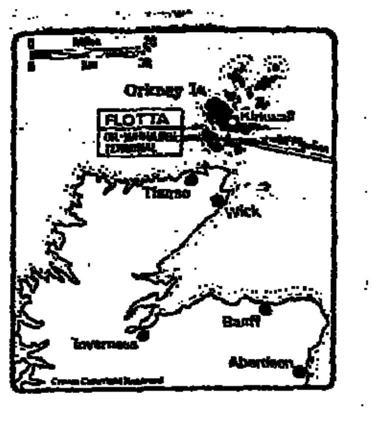
The islands' social and economic fabric is under strain and many fear that this will accelerate with what consequences no-one can quite predict during the expected 20-year minimum life of the terminal.

The high wages paid at the terminal have served to draw to it people serving needed roles elsewhere in the community. Ian McInnes lost a technician from the Academy who went to Oxy at a salary higher than a principal teacher's, and there have been other cases. Bill Crichton, Oxy's administrative and communal relations manager, himself a former Stromness headmaster, acknowledges the problem and says recruiting is now being done extremely carefully and taking into account the wider structural problems of the community.

Perhaps more worrying, in a previously mainly rural community where, say many islanders, no-one thought too much about money, now comparisons of wealth increasingly are being made.

The shops in Kirkwall's (the "capital") narrow main street, which once held mostly basics, now also display luxury items, while Oxy wives can travel regularly on a chartered plane to shop in Aberdeen. "They are creating an elite in housing, in transport and in lifestyle—it is very much like colonialism." one islander complained. Some have criticised Orkney Islands Council for what they see as its abdication of its responsibilities to Occidental—"it is fine as long as Oxy lasts, but what happens when the underpinning goes away?"

It is a charge hotly denied by island councillors, themselves trying hard to come to grips with how best to deploy both the new-found wealth and the problems it is creating.



The council is providing aid to the smattering of small industries and helping in the purchase of fishing boats. It is also building a £750,000 abattoir aimed at reducing the dependence on live cattle exports to Aberdeen and is aiding farmers—"who took a hell of a knock last winter"—in various other ways.

For all that, it has still to set out a long-term strategy for its still-growing oil revenues, and is in the process of appointing an economist to devise one.

Bill Crichton is confident that the Orkneys will *survive* the boom intact—"we've been invaded in waves ever since the Vikings; Orcadians have learned to say, 'whoopee! Here's a boom.' Then settle back to normal when it's over." David Sinclair, Flotta's postmaster and former island councillor is not so sure that the changes already set in train are reversible—"there was a time when time itself didn't matter; now we've all *got* to have watches."

Light on the Gold Cup

RACING

BY DOMINIC WIGAN

THE TOTE Cheltenham Gold Cup picture, although far from clear at the outset of the season, has taken on in the past two months an even murkier complexion and I doubt if anyone even six weeks ago could have envisaged the present state of betting.

Jack of Trumps heads the market at 9-2, half a point in front of Silver Buck. Other prices read 11-2 Diamond Edge, 10-1 Border Incident, 14-1 King Weasel and 16-1 Ballyross.

Neither Midnight Court nor Gay Spartan, the two early favourites, are to be found in the betting, due to setbacks, while Grand Canyon — another prone to injury—is now rated an outsider following that crashing fall, at Kempton on Boxing Day.

If the Gold Cup market is to receive yet another early shake up, one from the trio made up of Diamond Edge, Raffi Nelson, and Border Incident is almost sure to be the instigator.

At Sandown tomorrow, Diamond Edge meets Raffi Nelson among others in the Freshfields Holiday Handicap Chase, in which an authorative win for either will see those Gold Cup odds altering dramatically again.

Raffi Nelson's handler, Nick Henderson, has taken the view, quite rightly I believe, that if his charge has any claims to a place in the season's most prestigious chase he must beat Diamond Edge, fair and square at Sandown, where Raffi Nelson will be meeting the Saxon House prospect on 18 lb better terms than in March.

Mudlarks will be in their element at Sandown this afternoon, and two in this category I envisage going well are Probable and Fury Spirit. The first-named, runner-up at 1½ lengths to a subsequent winner in Swashbuckling at Ascot in a Division of the Silver Doctor Novices Hurdle, can take a similar event in the opening division of the February Hurdle, while that much improved seven-year-old Fury Spirit looks well treated off 11 stone 4 lbs in the Park Handicap Chase.

SANDOWN

1.30—Probable**
2.00—Fury Spirit***
2.30—Cabar Feidh
3.00—Spartan Missile
3.30—Ross du Vin
4.00—Desert Hero*

BBC 1

† Indicates programme in black and white

9.05 am For Schools, Colleges. 11.25 You and Me. 11.40 For Schools, Colleges. 12.45 pm News. 1.00 Pebble Mill at One. 1.45 Mister Men. 2.02 For Schools, Colleges. 3.25 Pobol Y Cwm. 3.53 Regional News for England (except London). 3.55 Play School. 4.20 Hong Kong Phooey. 4.30 Jackanory. 4.50 Tarzan, Lord of the Jungle. 5.10 Grange Hill. 5.35 The Perishers.

5.40 News.
5.55 Nationwide (London and South East only).
6.20 Nationwide.
7.00 The Superstars.
8.00 My Wife Next Door.
8.30 Francis Durbridge: "The Family Affair."
9.00 News.
9.25 Mr. Packer and the Poms: The hijacking of cricket by Australian business tycoon Kerry Packer.
10.15 Points of View (London and South East only).
†10.20 Lucille Ball in The Lucy Show.
10.45 Regional National News.
10.50 The Late Film: "Big Rose," starring Shelley Winters.

All Regions as BBC1 except as follows:—

Wales—1.45-2.00 pm Cwmtigili. 5.55-6.20 Wales Today. 7.00 Heddiw. 7.30 Antur I'r Andes. 8.00-8.30 My Wife Next Door. 10.15 Week In Week Out. 11.05 News for Wales. 11.06-12.54 am The Late Film: "The Happy Ending," starring Jean Simmons.

Scotland—11.00-11.20 am For Schools (Around Scotland). 12.40-12.45 pm The Scottish News. 5.55-6.20 Reporting Scotland. 10.15 Spectrum. 10.45-10.50 Regional, National News.

Northern Ireland — 3.53-3.55 pm Northern Ireland News. 5.55-6.20 Scene Around Six. 10.15 It's My Opinion. 10.45-10.50 Regional, National News.

England—5.55-6.20 pm Look East (Norwich); Look North (Leeds, Manchester, Newcastle); Midlands Today (Birmingham); Points West (Bristol); South Today (Southampton); Spotlight South West (Plymouth). 10.15-10.45 East (Norwich) The East Anglians: Midlands (Birmingham) The R and D Show: North (Leeds) Yorkshire Buccaneer; North East (Newcastle) Coast to Coast; North West (Manchester) Unlucky for Some?; South (Southampton) More Than Yesterday?; South West (Plymouth) The Moving Line; West (Bristol) Journey Back.

BBC 2

11.00 am Play School (as BBC1 3.55 pm).
5.40 Cartoon 2.
5.50 Monkey.
6.35 Cricket: Australia v. England (highlights).
7.05 Delia Smith's Cookery Course.
7.30 Mid-Evening News.
7.40 In the Country.
8.10 Talking Pictures.
9.00 Pot Black 80.
9.25 Pro-Celebrity Golf.
10.15 Sacha.
10.55 Late News.
11.10 Friday Night . . . Saturday Morning.

LONDON

9.30 am Schools Programmes. 11.55 Cartoon Time. 12.00 Song Book. 12.10 pm Once Upon a Time. 12.30 Simply Sewing. 1.00 News plus FT Index. 1.20 Thames News. 1.30 Together. 2.00 After Noon Plus. †2.45 Friday Matinee: "The Small Back Room." 4.15 The Tomororw People. 4.45 Magpie. 5.15 Emmerdale Farm.

5.45 News.
6.00 Thames News.
6.30 Thames Sport.
7.00 The Muppet Show.
7.30 Play Your Cards Right.
8.00 Life Begins at Forty.
8.30 Hawaii Five-O.
9.30 The Comedians.
10.00 News.
10.30 Soap.
11.00 The London Programme.
11.45 Chopper Squad.
12.45 am Close: Personal choice with Diana and Yehudi Menuhin

All IBA Regions as London except at the following times:—

ANGLIA

1.25 pm Anglia News. 2.45 Houseparty. 3.15 The Spoils of War. 5.15 Happy Days. 6.00 About Anglia. 10.30 Seven Days. 11.00 Friday Late Film: "Aloha Means Goodbye." 12.45 am Men Who Matter.

ATV

1.20 pm ATV Newsdesk. 2.45 Fantasy Island. 3.45 Money-Go-Round. 5.15 Happy Days. 6.00 ATV Today. 11.00 ATV Newsdesk. 11.05 Murder at the Movies: "Frenzy."

BORDER

1.20 pm Border News. 2.45 Houseparty. 3.15 The Spoils of War. 5.15 Baileys's Bird. 6.00 Lookaround Friday. 6.30 Mr. and Mrs. 10.30 The Music of Ifor James. 11.00 Friday Night Movie: "Blood On Satan's Claw." 12.40 am Border News Summary.

CHANNEL

1.20 pm Channel Lunchtime News, What's On Where and Weather. 2.45 The Friday Matinee: "Ransom For Alice." 5.15 Emmerdale Farm. 6.00 Report At Six. 6.35 In Search Of . . . The Coming Ice Age. 8.30 The Incredible Hulk. 10.28 Channel Late News. 10.35 Chimley Corner. 10.55 TV Movie Premiere: "Force Five." 12.10 am News and Weather in French.

GRAMPIAN

9.25 am First Thing. 1.20 pm North News Headlines. 2.45 Friday Matinee: "Doctor In Love" starring Michael Craig, Virginia Maskell and Leslie Phillips. 5.15 Emmerdale Farm. 6.00 North Tonight and Area Weather Forecast. 6.35 Sportscall. 8.30 Vegas. 10.30 Reflections. 10.35 The Late Night Horror Show: "The Mephisto Waltz" starring Curt Jurgens. 12.30 am North Late Night Headlines plus Road and Ski Report.

GRANADA

11.50 am Stamp Stories. 1.20 pm Granada Reports. 2.00 Live From Two. 2.50 Movie Premiere: Richard Crenna in "Footsteps." 5.15 Mr. and Mrs. 6.00 Granada Reports. 6.30 Kick Off. 8.30 Vegas. 10.30 Double Vision. 11.15 Soap. 11.45 House of Horrors: "Dr. Jekyll and Sister Hyde."

HTV

1.20 pm Report West Headlines. 2.45 The Friday Matinee: "Hey I'm Alive." 5.15 Mr. And Mrs. 6.00 Report West. 6.30 The Muppet Show. 8.30 The Streets Of San Francisco. 10.35 Report Extra. 11.05 The Friday Film: "Twins Of Evil."

HTV Cymru/Wales. As HTV West/HTV General Service except: 10.31-10.46 am About Wales. 10.48-11.08 Am Gymru. 1.20 pm Penawdau Newyddion Y Dydd. 1.25-1.30 Report Wales Headlines. 4.15-4.45 Y Bach Ymysg Y Mawrion. 6.00 Y Dydd. 6.15-6.30 Report Wales. 10.35-11.05 The Electric Theatre Show.

SCOTTISH

1.20 pm News and Road and Weather. 2.45 Young Ramsey. 3.45 Money-Go-Round. 5.15 Mr. And Mrs. 6.00 Scotland Today. 6.30 Emmerdale Farm. 8.30 Streets Of San Francisco. 10.30 Ways And Means. 11.00 Late Call. 11.05 Appointment With Fear: "Dracula Has Risen From The Grave."

SOUTHERN

1.20 pm Southern News. 2.45 Houseparty. 3.15 The Spoils Of War. 5.15 Mr. And Mrs. 6.00 Day By Day. 6.00 Scene South East (South East Area only). 6.30 Out Of Town. 10.30 Southern News Extra. 10.35 Southern Report (Diana Irons — A Question Of Life). 11.20 Soap. 11.50 The Late, Late Premiere: "Walking In The Sun."

TYNE TEES

9.30 am The Good Word followed by North East News Headlines. 1.20 pm North East News and Lookaround. 2.25 Friday Matinee: "Emily, Emily." 5.15 Laverne And Shirley. 6.00 Northern Life. 6.25 Sportstime. 10.30 North East News Headlines. 10.35 Taylor And Burton: "Candy." 12.45 am Epilogue.

ULSTER

1.20 pm Lunchtime. 2.45 Friday Matinee: *Blue Murder at St. Trinians'* staring Terry Thomas, George Cole and Joyce Grenfell. 4.13 Ulster News Headlines. 5.15 Mr. and Mrs. 6.00 Good Evening Ulster. 8.30 Vegas. 10.29 Ulster Weather. 10.30 Sportscast. 11.00 Witness. 11.05 Friday Film: "Yesterday's Child." 12.25 am Bedtime.

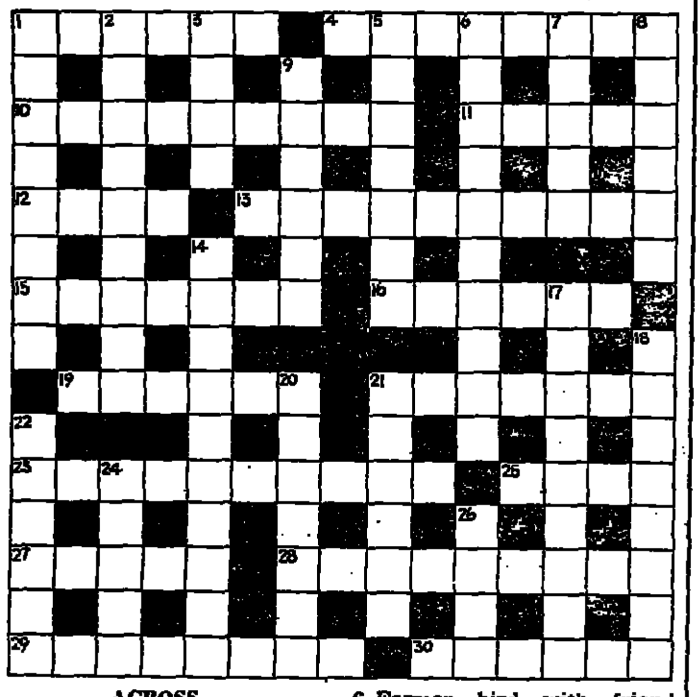
WESTWARD

1.20 pm Westward News Headlines. 2.45 The Friday Matinee: "Ransom For Alice." 4.12 Gus Honeybun's Birthdays. 5.15 Emmerdale Farm. 6.00 Westward Diary. 6.30 The Weekend Show. 6.50 Just The Job. 8.30 The Incredible Hulk. 10.32 Westward Late News. 10.36 Chimley Corner. 10.55 TV Movie Premiere: "Force Five." 12.10 am Faith For Life. 12.15 West Country Weather and Shipping Forecast.

YORKSHIRE

1.20 pm Calendar News. †2.45 Friday Film Matinee: "The Late Edwina Black." 4.10 Cartoon Time. 5.15 Mork and Mindy. 6.00 Calendar (Emley Moor and Belmont editions). 6.35 Calendar Sport. 11.00 The Friday Night Film: "The Legend of Hell House."

F.T. CROSSWORD PUZZLE No. 4,189



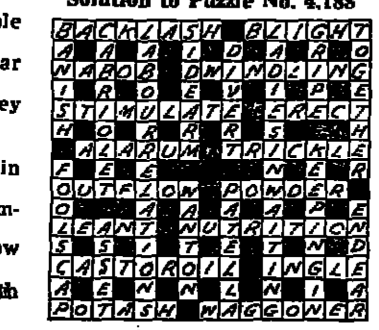
ACROSS

1 Published and is prosecuted (6)
4 Fresh vegetable flower (8)
10 Permissible range of variation and patience (9)
11 Examine a hard shell (5)
12 Measure round article in a way (4)
13 Inaccessible from stretch of river (3, 2, 5)
15 Caustically sly about stringed instrument (7)
16 Write outline about Pole in brown study (6)
19 I must leave reptile confused to get the bird (6)
21 Musician with little room is terrified initially (7)
23 Buffoon is to climb first of Everest's slope (10)
25 Skilful sailor the French must follow (4)
27 Detect a very small quantity (5)
28 Ancestral form of vegetable broth? (9)
29 River I fish in underwear (8)
30 Curdler returned for money (6)

DOWN

1 Attract attention in premium paid (8)
2 Fruit to note in Mohammedan ruler's domain (9)
3 Unusual cure for yellow colour (4)
5 Remove selectively with little doubt it's said (4, 3)
6 Former bird with friend outside (10)
7 Ended article describing Italian food (5)
8 Indifference to a course before the end of July (6)
9 Damage in panel (6)
14 Dejected being without alcohol (10)
17 Descend and abandon a principle (5, 4)
18 One who can barely run? (8)
20 Broad-minded politician (7)
21 Swiss territorial division making tin weight (6)
22 Cite me turning up? It makes you sick! (6)
24 A French member to render harmless (5)
26 Land in the middle of Bisley (4)

Solution to Puzzle No. 4,188



Radio Wavelengths

1 1053kHz/285m, 1089kHz/275m
2 693kHz/433m, 909kHz/330m & 88-91vhf stereo
3 1215kHz/247m & 90-92.5vhf stereo
4 200kHz/1500m & 92.95vhf

BBC Radio London: 1458kHz, 206m & 94.9vhf
Capital Radio: 1548kHz, 194m & 95.8vhf
London Broadcasting: 1151kHz, 261m & 97.3vhf

RADIO 1

(S) Stereophonic broadcast
‡ Medium wave

5.00 am As Radio 2. 6.00 Dave Lee Travis. 9.00 Simon Bates. 11.31 Paul Burnett. 2.00 pm Andy Peebles. 4.31 Kid Jensen. 5.30 Newsbeat. 5.45 Roundtable. 7.30 Anne Nightingale. 9.50 Newsbeat. 10.00 The Friday Rock Show (S). 12.00-5.00 am As Radio 2.

RADIO 2

5.00 am News Summary. 5.03 Cricket: Australia v. England (reports). 5.04 Steve Jones (S) including 6.03, 7.03 Cricket and 6.15 Pause for Thought. 7.32 Terry Wogan (S) including 8.03 Cricket, 8.27 Racing Bulletin, 8.45 Pause for Thought. 9.03 Top Five Albums. 10.03 Jimmy Young (S). 12.03 pm David Hamilton (S). 2.03 Ed Stewart's Request Show (S). 4.03 Much More Music (S). 5.00 News. 5.05 Waggoners' Walk. 5.20 Much More Music (S) (continued). 6.03 John Dunn (S). 8.02 Friday Night Is Music Night (S). 9.55 Sports Desk. 10.02 Roy Castle. 10.30 Dorita Presents Sounds Of Latin American on record. 11.02 Brian Matthew with Round Midnight, including 12.00 News and 1.02, 2.02 Cricket: Australia v. England (report). 2.03-5.00 You And The Night And The Music (S) including 3.02, 4.02 Cricket.

RADIO 3

6.00 am Test Match Special: Australia v. England. 7.05 Weather. 7.10 News. 7.15 Overture (S). 8.00 News. 8.05 Morning Concert (S). 8.55 Rural Rhymes. 9.00 News. 9.05 This Week's Composer: Beethoven (S). 10.00 Young Artists Recital (S). 11.00 Vaughan Williams and Elgar (S). 12.05 pm BBC Northern Symphony Orchestra: concert, part 1 (S). 1.00 News. 1.05 BBC Northern Symphony Orchestra: part 2 (S). 2.05 The Arts Worldwide. 2.25 Moods, Impressions and Memories (S). 3.25 Samuel Wesley: Missa Pro Angelis (S). 3.55 Comparing Notes (S). 4.55 News. 5.00 Mainly For Pleasure (S). 7.10 One Pair of Ears. 7.25 Play It Again (S). 7.30 Handel and Campra: concert, part 1 (S). 8.05 Radio 3 Short Story Competition. 8.25 Concert: part 2 (S). 9.30 Partners In Law: Conversation between Lord Scarman and Professor Archibald Cox. 9.55 Jack Brymer concert (S). 10.45 Serenade Concert (S). 11.55 News. 12.00-2.05 am Test Match Special: Australia v. England.

RADIO 4

6.00 am News Briefing. 6.10 Farming Today. 6.25 Shipping Forecast. 6.30 Today, including 6.45 Prayer for the Day, 7.00, 8.00 Today's News, 7.30, 8.30 News headlines, 7.45 Thought for the Day. 8.35 Yesterday in Parliament. 9.00 News. 9.05 Desert Island Discs. 9.45 Enquire Within. 10.00 News. 10.05 From Our Own Correspondent. 10.30 Daily Service. 10.45 The Wooden Horse. 11.00 News. 11.05 Women of Words. 11.50 Bird of the Week. 12.00 News. 12.02 pm You and Yours. 12.27 My Music (S). 12.55 Weather; programme news. 1.00 The World At One. 1.40 The Archers. 1.55 Shipping forecast. 2.00 News. 2.02 Woman's Hour from Manchester. 3.00 News. 3.02 Listen With Mother. 3.15 Afternoon Theatre (S). 4.10 Icon: The Eternal Image. 4.40 Preview. 4.45 Short Story. 5.00 PM. News magazine. 5.50 Shipping forecast. 5.55 Weather; programme news. 6.00 News. 6.30 Going Places. 7.00 News. 7.05 The Archers. 7.20 Pick of the Week (S). 8.10 Profile of Lord Ted Willis. 8.30 Any Questions? 9.15 Letter From America. 9.30 Kaleidoscope. 9.59 Weather. 10.00 The World Tonight. 10.35 Week Ending (S). 11.00 A Book At Bedtime. 11.15 The Financial World Tonight. 11.30 Today in Parliament. 11.45 Just Before Midnight. 12.00 News.

BBC Radio London

5.00 am As Radio 2. 6.30 Rush Hour. 10.03 The Robbie Vincent Telephone Programme. 1.03 pm London Live. 3.03 Showcase. 4.30 London News Desk. 5.35 Look, Stop, Listen. 7.03 Black Londoners. 8.00 Question Time from the House of Commons. 9.00-5.00 am Join Radio 2.

ENTERTAINMENT GUIDE

OPERA & BALLET

COLISEUM. Credit cards. 240 5258. Reservations 836 3161. ENGLISH NATIONAL OPERA Tonight & Wed. 7.30: Don Giovanni. Tomor 7.00: The Force of Destiny. Tue & Thur 7.30: The Merry Widow. 104 balcony seats avail. from 10 am on day of perf.

COVENT GARDEN. CC. S. 240 1066. (Gardencharge credit cards 836 6903). THE ROYAL OPERA Ton't. Mon. & Thur. 7.30 Werther. Tue: 7.00 Otello (all seats sold). THE ROYAL BALLET Tomor: 7.30 Mayerling. Wed: 7.30 The Sleeping Beauty. 65 Amphi. seats avail. for all perfs. from 10 am on day of perf.

SADLER'S WELLS THEATRE. Rosebery Ave., E.C.1. 837 1672. Credit cards 837 3856. 10-6 p.m. Until Feb. 16. D'OYLY CARTE in GILBERT & SULLIVAN. Evgs. 7.30. Mat. Tomor. 2.30. Until Wed. next: The Mikado. Thurs.: The Sorcerer.

SADLER'S WELLS THEATRE. Rosebery Ave., EC1. 837 1672. Credit cards 837 3856. 10-6 pm. Sunday 7.30: DIE FLEDERMAUS. A concert performance. Sheila Armstrong, Nigel Douglas, Philharmonic Orchestra.

THEATRES

ADELPHI. CC. S. 01-836 7611. Evgs. at 7.30. Sat. 4.00 and 7.45. Mats. Thursday at 3.00. TONY BRITTON, LIZ ROBERTSON, PETER BAYLISS and ANNA NEAGLE in THE WORLD'S GREATEST MUSICAL MY FAIR LADY. Good seats available for most performances. Now booking to Oct. 1980. New Credit Card Hotline 01-836 7358.

ALBERY. S. From 9 am. 836 3878. CC. 379 6565. Group sales 379 6061. Evs. 7.45. Mat. Thur. & Sat. 4.0 OLIVER! GEORGE LAYTON, HELEN SHAPIRO. CHILD FREE with each ADULT valid 16 years or under and at time of purchase.

ALDWYCH. S. CC. 836 6404. Info. 836 5332. ROYAL SHAKESPEARE COMPANY in repertoire. THE GREEKS. Ten Greek plays given as a trilogy. No perf. ton't. Tomor. 10.00, 2.45 and 7.45 complete trilogy sold out). RSC also at The Warehouse and at Wyndham's Theatre.

AMBASSADORS. CC. 01-736 1171. Evgs. 8.00. Fri. and Sat. 5.30 and 8.30. DINSDALE LANDEN, GWEN WATFORD, DAVID BURKE, ANGELA DOWN in BODIES by James Saunders. Last weeks—must end March 1st.

APOLLO THEATRE. CC. S. 01-437 2663. Group sales 379 6061. Eves 8. Mat. Thur 3. Sat. 5.30 & 8.30 TIMOTHY WEST as BEECHAM by Caryl Brahms and Ned Sherrin. Directed by Patrick Garland.

ARTS THEATRE. 01-836 2132. TOM STOPPARD'S DIRTY LINEN. Monday to Thursday 8.30. Friday and Saturday 7.00 and 9.15. NOW IN ITS FOURTH YEAR. Lowest-priced best seats in London. £4.00 £3.25, £1.65, plus 15p temp. members. Sat. £4.85, £3.85, £1.85.

ASTORIA. CC. 01-439 8031. 01-734 4291. 01-734 4369. BEATLEMANIA. Mon.-Thurs. 8.00. Fri., Sat. 6.00 and 8.45. Reduced rate Group bookings. 01-437 3856.

BOULEVARD TH. at the Raymond Revuebar, Walkers Court, Brewer Street. CC. Tel. 01-437 2661. PAUL RAYMOND PRESENTS America's Sex Queen Live on Stage, MARILYN CHAMBERS. Must end April 5 prior to American Tour. Twice nightly Mon.-Sat. 8.00 and 10.00 pm.

CAMBRIDGE. 01-836 6056. Credit cards accepted 01-836 7040. Mon. to Fri. 8.00. Thurs. 3.00. Sat. 5.00 and 8.30. THE HIT BROADWAY MUSICAL GREAT MUSICAL ENTERTAINMENT, CHICAGO ELIZABETH SEAL, JENNY LOGAN, COLIN BENNETT, DON FELLOWS, HOPE JACKMAN, G. LYON. Reduced prices for parties 379 6061. 865 6095. Students, Nurses. OAP standby £1.50.

COMEDY THEATRE. CC. 930 2578. Mon.-Sat. 9.00. Mats. Fri. and Sat. 6.30. THE ROCKY HORROR SHOW. Group Sales Box Office 01-379 6061. Freephone 2381.

CRITERION. 930 3216. CC bookings 379 6565. Group sales 379 6061. Evs. 8.00. Sats. 5.30 and 8.30. Thurs. mat. 3.00. HALF PRICE PERFS. Mon. evng. Thur. Mat. NEIL SIMON'S LAST OF THE RED HOT LOVERS. Lee Montague, Georgina Hale, Bridget Turner and Susan Engel.

DUCHESS. 01-836 8243. Mon. to Thur. Eves. 8.00. Fri. and Sat. 5.30 and 8.15. OH! CALCUTTA! LAST WEEK.

DUKE OF YORK'S. 836 5122. GLENDA JACKSON, ROSE. Red. price Prevs. from Feb. 20. Opens Feb. 28.

GARRICK. CC. 01-836 4601. Evgs. 8.00 (sharp). Fri. and Sat. 5.30 and 8.30. Gareth Hunt in DEATHTRAP.

GLOBE THEATRE. S. CC. 01-437 1592. Group sales 379 6061. Evgs. 8.00. Mat. Wed. 3.00. Sat. 5.0 and 8.15. Beryl Reid Barry Foster, Peter Bowles, Jan Waters in a new play by Peter Nichols BORN IN THE GARDENS. Directed by Clifford Williams.

GREENWICH THEATRE. S. CC. 858 7755. Evgs. 8.00. Mats. Sats. 2.30 LIBERTY HALL. A new play by Michael Frayn. "As merry a romp as I have seen for years." D. Tel. "A jolly evening with excellent performances." Times.

HAYMARKET. CC. 01-930 9832. Evenings 8.00. Wed. 2.30. Sat. 4.30 and 8.00. Gerald Harper, Kate O'Mara in the Sherlock Holmes Mystery THE CRUCIFER OF BLOOD by Paul Giovanni. LAST 5 WEEKS. ENDS MARCH 1.

HER MAJESTY'S THEATRE. 930 6606. Opening March 10. The Award Winning Broadway Musical ON THE TWENTIETH CENTURY. Reduced price previews from March 10.

KING'S HEAD. 226 1916. Dnr. 7.00. Show 8.00. Ton't. & Tomor. only JUST A SONG AT TWILIGHT with Terence Hardiman and David King. From Mon. SHAKESPEARE LADY. 1.15 a.m. NIGHT DUTY.

LYRIC HAMMERSMITH. 01-741 2311. Last 3 perfs. Today 7.30. Tomor 2.30 & 7.30 Sandy Wilson's ALADDIN "The kids . . . had a wonderful time . . . we loved the rhythmic singing of Elizabeth Welch" D. Tel. ". . . the prettiest I have seen . . . Joe Melia is splendid" E. News. From Wed., prevs 7.30. COUNTRY LIFE, by Carlo Goldoni. LYRIC STUDIO: Eves 8. Sats. 5.30 & 8.30 CITY DELIGHTS. A Lyric revue ". . . very funny . . ." F. Times.

LYRIC THEATRE. CC. 01-437 3686. Grp. Sales 379 6061. Evgs. 8.00. Wed. 3.00. Sat. 5.00 and 8.00. RICHARD BRIERS, PAUL EDDINGTON in MIDDLE AGE SPREAD. COMEDY OF THE YEAR. WEST END THEATRE AWARDS.

MAY FAIR. CC. 01-629 3036. Preview Feb. 5 at 8.00. Opens Feb. 6 at 7.00. Subs. Mon.-Thurs 8.00. Fri., Sat. 6.00, 8.45. SUSANNAH YORK, DANIEL MASSEY, DONALD PICKERING, Frances White in APPEARANCES by Simon Benmussa after Henry James.

NATIONAL THEATRE. CC. 928 2252. OLIVIER (open stage): Ton't Tomor 7.30 AMADEUS by Peter Shaffer. LYTTELTON (proscenium stage): (low price prevs) Tomor 7.45 THEE AND ME a new play by Philip Martin. COTTESLOE (small auditorium—all tkts £2.50. Student Standby (£1.20): Eugene O'Neill Season: Ton't Tomor 8. HUGHIE. Excellent cheap seats from 10 am day of perf all 3 theatres. Car park. Restaurant 928 2033. Credit card bkgs. 928 3052.

OLD VIC. 928 7615. Le Groupe Tse presents PEINES DE COEUR D'UNE CHATTE ANGLAISE (Heartache of an English Pussycat). Evenings 7.30. Thurs. and Sat. matinees 2.30.

OLD VIC. 928 7616. Abbey Theatre Company presents Cyril Cusack in A LIFE by Hugh Leonard, author of "Da." Feb. 4-15, two weeks only, at 7.30 pm Sponsored by Kerrygold and B & I Line and presented as part of "A Sense of Ireland" (London Festival of Arts).

PALACE. CC. 01-437 6834. Mon.-Thurs. 8.00. Fri., Sat. 6.00 and 8.45. JESUS CHRIST SUPERSTAR by Tim Rice and Andrew Lloyd-Webber. Group sales 01-379 6061 or Freephone 2381.

PALLADIUM. CC. 01-437 7373. YUL BRYNNER in RODGERS & HAMMERSTEIN'S THE KING AND I also starring VIRGINIA McKENNA. HOTLINE—01-437 2055. Evenings 7.30. Mats. Wed. and Sat. 2.45. Some goods seats available for Weds. Mats.

PHOENIX THEATRE. CC. 01-836 2294. Evgs. 8.00. Wed. 3.00. Sat. 5.00 & 8.30. SUSAN HAMPSHIRE, PATRICK MOWER. SECOND YEAR OF TOM STOPPARD'S NIGHT AND DAY. Directed by Peter Wood. BEST PLAY OF THE YEAR. Evening Standard Drama Award.

PICCADILLY. From 9.00 am. 437 4506. CC bkgs. 836 1071. Evgs. 8.00. Thurs. 5.00 and 8.00. Sat. 5.30 and 8.30. PETER BARKWORTH, HANNAH GORDON in Brian Clark's new play CAN YOU HEAR ME AT THE BACK! LAST 3 WEEKS. ENDS 16 FEB.

PRINCE EDWARD. CC. 01-437 6877. Evgs. 8.00. Mats. Thur. and Sat. at 3.00. EVITA by Tim Rice and Andrew Lloyd-Webber. Directed by Harold Prince. Matinee seats now available.

PRINCE OF WALES THEATRE. 930 8681. An Evening with TOMMY STEELE and his Company. Evgs. Mon.-Thurs. 8.30. Fri. and Sat. 6.00 and 8.30. Book Now.

RAYMOND REVUEBAR. CC. 01-734 1593. At 7.00, 9.00, 11.00 pm. Opens Suns. PAUL RAYMOND presents THE FESTIVAL OF EROTICA. New Acts! New Girls! New Thrills! 23rd Sensational year. Fully air-conditioned.

ROYAL COURT. S. 730 1745. Prevs. Tomor. and Mon. at 8. Opens Tue 8. Subs. 8. PEOPLE SHOW No. 84. Mon. and Tues. all seats £1.50. Wed. to Sat. all seats £2.00.

ST. GEORGE'S THEATRE. 607 1128. Evgs. 8. Sat. Mats. 5 (24hr. bkg.) Elvi Hale, John Quentin in ON APPROVAL Frederick Lonsdale's comedy. Special 2.00 Perfs. Tues to Fri. JULIUS CAESAR.

ST. MARTIN'S. Credit Cards. 836 1443. Evgs. 8.00. Tues. 2.45. Sats. 5.00 and 8.00. AGATHA CHRISTIE'S THE MOUSETRAP. WORLD'S LONGEST-EVER RUN, 28th YEAR.

SAVOY THEATRE. 01-836 8888. CC. 836 8117 (Mon.-Fri. 10-6). LESLIE PHILLIPS, JUNE WHITFIELD, SYLVIA SYMS and ANDREW SACHS NOT NOW DARLING. Mon.-Thurs. 8.00. Fri. and Sat. 5.45 and 8.45. Reduced price mats. on Friday. Group bookings 01-437 3856.

SHAFTESBURY THEATRE. CC. S. 01-836 6596. From Feb. 2. Evgs. 8.0. Weds. 3.0. Sat. 5.30 and 8.30. CAROL CHANNING HELLO DOLLY! Also starring EDDIE BRACKEN. Seats £1-£6.50. Group Bookings 01-734 2293. SPECIAL PRICES STUDENTS and OAPs (Wed. Mat. all seats £2.50 OAPs and students.)

STRAND. 01-836 2660. Evenings 8.00. Mats. Thurs. 3.00. Sat. 5.30 and 8.30. LONGEST RUNNING COMEDY IN THE WORLD. NO SEX PLEASE—WE'RE BRITISH. Credit cards 01-836 4143. Group sales 01-379 6051 or Freephone 2381.

TALK OF THE TOWN. CC. 01-734 5051. AIR CONDITIONING. CREDIT CARDS. LONDON'S GREATEST NIGHT OUT. From 8.00. Dining and Dancing. 9.30 SUPER REVUE "BUBBLY." AT 11.00 THE BLACK ABBOTS DANCING UNTIL 1.00 am.

VAUDEVILLE. S. CC. 01-836 9988. Evgs. 8.00. Sat. 5.30 and 8.30. Wed. Mat. 2.45 ALAN BATES in STAGE STRUCK. A new thriller by Simon Gray.

VICTORIA PALACE. CC. 01-828 4735-6. 01-834 1317. Evgs. 7.30. Mats. Wed. and Sat. 2.45. ANNIE. Group Sales Box Office 01-379 6061 or Freephone 2381.

WAREHOUSE. Donmar Theatre Covent Garden. Box Office 836 6808. S. Royal Shakespeare Company. Ton't. Tomor. 7.30 Premiere Barrie Keeffe's BASTARD ANGEL (not suitable for children). All seats £2.10. Students £1.10. Adv. bkgs. Aldwych.

WEMBLEY ARENA. 01-902 1234. Entirely new prodn. of the lavish HOLIDAY ON ICE. Tues. to Fri. 7.45. Mat. Weds. 3.00. Sats. 2, 5 and 8. Suns. 3 and 6.30 (no perfs. Mons.). Children and Senior Cits. half-price. Pay at doors. Ample parking.

WHITEHALL. CC. 01-930 6692-7765. Mon. to Thurs. 8.00. Fri. and Sat. 6.10 and 8.30. IPI TOMBI. FIFTH GREAT YEAR. Reduced rate group bookings. 734 2293.

WINDMILL. CC. 01-437 6312. Twice nightly at 8.00 and 10.00. Suns. 6.00 and 8.00. Paul Raymond presents RIP OFF. Hotter than ever for 1980. The erotic experience of the modern era. Fifth great year.

WYNDHAM'S. 836 3028. CC bkgs. 379 6565. Evgs. 8.0. Royal Shakespeare Company in PIAF Pam Gem's play with songs about the legendary Piaf.

CINEMAS

ABC 1 & 2 SHAFTESBURY 836 8861. Sep Perfs. ALL SEATS BKBLE. 1: APOCALYPSE NOW (X). Wk. & Sun. 1.15, 4.30, 7.55. Late show Tonight & Sat. 11.00. 2: TIME AFTER TIME (AA) Wk. & Sun: 2.00, 5.00, 8.00 (last 6 days)

CLASSIC 1, 2, 3. Haymarket (Piccadilly Circus Tube). 01-839 1527. 1: APOCALYPSE NOW (X). A 70 mm Dolby Stereo presentation. Progs. 1.30, 4.30, 7.40. 2: THE HUMAN FACTOR (AA). Progs. 2.00, 4.45, 7.30. 3: SUNBURN (A). Progs. 12.40 (not Sun), 3.10, 5.40, 8.10.

CLASSIC POLY. Oxford Circus (Upper Regent Street). 637 9863. A DIFFERENT STORY (AA). Progs. 1.00 (not Sun.), 3.00, 5.35, 8.05.

CLASSIC 1, 2, 3, 4, 5. Oxford St. 01-636 0310 (opp. Tottenham Court Rd. Tube). 1: James Brolin THE AMITYVILLE HORROR (X). Full Stereophonic sound. Progs. 1.00, 3.25, 5.55, 8.20. 2: Clint Eastwood ESCAPE FROM ALCATRAZ (AA). Progs. 1.40, 4.00, 6.20, 8.40. 3: Woody Allen MANHATTAN (AA). Progs. 12.50, 2.50, 4.50, 6.50, 8.50. 4: THE HUMAN FACTOR (AA). Progs. 2.00, 4.50, 7.55. 5: THE LORD OF THE RINGS (A). Sep. perfs. 2.00, 5.00, 8.00.

CLASSIC. Leicester Square. 930 6915. HOT STUFF (AA). STEEL (AA). Progs. 12.10 (not Sun.), 2.05, 3.40, 7.10.

CURZON. Curzon Street. W1. 499 3737. LEE REMICK in THE EUROPEANS (U). Progs. 2.00 (not Sun.), 4.00, 6.20, 8.40.

ODEON HAYMARKET (930 2738/2771). Jill Clayburgh in Bertolucci's LA LUNA (X). Sep. perfs. Wks. 1.45, 5.05, 8.10. Sun. 4.30, 7.45. Late Night Show Fri. & Sat. 11.45.

ODEON LEICESTER SQUARE (930 6111). THE BLACK HOLE (A). Sep. perfs. Dly. 1.45, 5.00, 8.15. Late Night Show Saturday 11.45 pm. All Seats may be booked at Box Office or by Post.

ODEON MARBLE ARCH W2 (723 2011/2). ONE FLEW OVER THE CUCKOO'S NEST (X). Sep. progs. Sun.-Fri. 3.45, 7.40. Sat. 1.15, 4.40, 8.05. Late Night Show Fri. & Sat 11.15 pm. Evening Perf & Weekends may be booked in advance.

PRINCE CHARLES Leic. Sq. 437 8181. World Premiere Presentation NIGHT GAMES (X). Sep. Perfs. Dly. (inc. Sun.) 12.20, 2.45, 5.55, 8.35. Lte Show Fri. & Sat. 11.15. Seats Bkble. Lic'd Bar.

SCENE 1. Leic. Sq. (Wardour St.). 439 4470. ALIEN (X). Progs. 1.05, 3.35, 6.00, 8.30. Lte. Show Fri. & Sat. 10.55.

STUDIO 1, 3, & 4. Oxford Circus. 437 3300. Lic'd Bar. 1: THE DEER HUNTER (X). 12.45, 4.05, 7.30. Lte Show Sat. 10.50. 3: TIME AFTER TIME (AA). Progs. 12.35, 2.35, 5.20, 8.05. Lte Show Sat. 10.55. 4: APOCALYPSE NOW (X). Sep. Perfs. Dly. 1.45, 4.50, 8.00. Lte Show Sat 11.10. Seats Bkble.

ART GALLERIES

AGNEW GALLERY. 43, Old Bond St., W.1. 629 6176. 170th ANNUAL WATER-COLOUR EXHIBITION. Until 18 February. Mon.-Fri. 9.30-5.30. Thurs. until 7.

MALL GALLERIES. The Mall, SW1. CONTEMPORARY YUGOSLAV ART. Mon.-Fri. 10-5; Sats. 10-1. Until 14 Feb. Adm. Free.

MARLBOROUGH. 6, Albemarle St., W1. STEPHEN EDLICH. Recent paintings and collages. Mon.-Fri. 10-5.30. Sat. 10-12.30.

CLUBS

EVE has outlived the others because of a policy of fair play and value for money. Supper from 10-3.30 am. Disco and top musicians, glamorous hostesses, exciting floor shows. 189, Regent St. 734 0557.

GARGOYLE. 69, Dean Street, London, W1. NEW STRIPTEASE FLOORSHOW "AS YOU LIKE IT" 11-2.30 am. Shows at Midnight and 1 am. Mon.-Fri. Closed Saturdays 01-437 6455.

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THE ARTS

Cinema

Lost in Greene-land

by NIGEL ANDREWS

The Human Factor (AA) Classic Haymarket
MGM and Irish Cinema National Film Theatre
Sunburn (A) Classic Haymarket
Straub Season and Outsider's Ireland ICA

Oh, what a noble book is here o'erthrown! If you have read and reverenced Graham Greene's *The Human Factor*, which with skilled and wondrous surgery reinserted humanity into the ailing heart of the spy thriller, you will be as curious as I was to see what the cinema has made of it. You might even have put your shirt on Otto Preminger, were it big enough, as the man most likely to succeed in bringing it to the screen. Preminger was the quondam maestro of Hollywood Humanism with films like *Anatomy of a Murder* and *Advise and Consent*, and his last film made in Britain was the tense, moody, Greene-like thriller *Bunny Lake Is Missing*.

But Greene's is an elusive talent: it scuttles away like a sand-crab when the mighty wit of showmanship comes too near. And since Preminger has gone for broke here with an all-star British cast — Attenborough, Morley, Gielgud, Williamson—and ladled out the colour photography in a story that might have preferred to wear a taut, quiescent drabness, Greene's subtle magic fades at the commencement and scarcely pops its head around the corner again until the last, defiantly moving scene in Moscow.

Nicol Williamson, bravely mothballing his gifts for sulphurous scorn and grand agony, plays the poor, pained hero Maurice Castle; the Whitehall "mole" who spies for Moscow. Sarah, his black South African wife was spirited from that land with a Communist friend's aid, and Castle, in gratitude, is repaying that moral debt with espionage. Now he and Sarah—played by svelte Somali-born model Iman—live in stockbroker-belt Hertfordshire and he commutes between domesticity and desk-work, wondering when the time-bomb of his treachery will blow up.

Apart from some African flashbacks slipped into the narrative, Preminger and Tom Stoppard, who wrote the screenplay, have kept doggedy faithful to the letter of Greene's novel, trusting no doubt that the spirit will thrive of itself. Deluded optimism. This movie's faithful attentions to its original are of the embalming rather than the revivifying kind, and sweet as are the unguents and spices Preminger spreads over the body—who could resist Robert Morley and Richard Attenborough flouncing through VIP character roles as murderous medico and huffy security officer respectively?—the true heart of the tale has stopped beating and the corpse declines to come back to life.

Preminger is a master-craftsman and even in this blank, odourless, stolid movie there are signs of what-might-have-been. Attenborough's muddlesome Colonel Daintry wields a *rosy cheek* and a *fine pair of* mutton-chops as he blunders genteelly into Williamson's guilt, and Preminger wisely lets him steal as many scenes as he can. Attenborough looks as if he's discovering and relishing his role as he goes along. Ditto Morley's pop-eyed, large-jowled Civil Service assassin and Richard Vernon's fluffy, paternalistic "C," head of British secret service.

But Williamson and Iman give constrained, circumspect, stiff-limbed performances, as if out to earn Oscars for Good Behaviour rather than for acting. As they move about gingerly in their Berkhampsted *dacha*, awkwardly delivering the script's neat, too-careful Greene-isms, the film gets lost amid the whey-faced acting and the stolid camerawork (and the hideous furniture — expensive, ugly and un-Castle-like) and Greene's spirit howls silently in the cellarage, decrying the waste of a marvellous story.

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"Ars Gratia Artis"—*alias* "Art for Art's Sake"—reads the legend engraved on a loop of white celluloid, and the lion *poking its head through the* middle is perhaps antiphonally roaring the perennial Hollywood pendant to that motto, "And money for God's sake." MGM, in its heyday the most lavish of American studios, must have cast an eye more than once at that second, more brutally realist maxim; for their extravagance as a production machine, even in the Depression years, was matched by few other studios and, within *their own walls, only by the* stylish inventiveness with which they deployed their resources.

Three cheers that they survived and thrived so long; and are even now, after seeming retirement in the 1970s, garnering business once more as a production outfit. MGM is about to receive a multi-part tribute at the National Film Theatre, with so many films promised that most of them would disappear over the Earth's curvature *if laid* end to end. That the original *Ben-Hur* is showing tonight and on Sunday is, alas, purely academic, for the performances were sold out ages ago. But why weep? There are countless other treasures to come, and depending on whether you like MGM dispensing *spectacles or sophisticated* comedies or costume melodramas you can winnow among such movies as *Red Dust*, *San Francisco*, *The Barretts of Wimpole Street*, *The Philadelphia Story*, *Gone With The Wind*, *Mutiny On The Bounty* (two versions) and *Quo Vadis*.

Part one of this Leviathan retrospective starts today and lasts throughout February. Four more instalments are promised, taking us through to September.

Also at the National Film Theatre, chiming in with London's "Sense of Ireland" month, is a four-week programme of Irish cinema. As the London Film Festival has shown in recent unveilings there is more to Irish cinema—both in quality and in quantity—than meets the English filmgoing eye, and with luck this introductory *season will ensure that* more cans of film cross the Irish sea in coming years. Look out particularly for Bob Quinn's *Poteen*, Kieron Hickey's *Exposure* and Peter Lennon's *Rocky Road to Dublin*.

*

I demand that a monument *be built* to Joan Collins in Wardour Street; possibly made of bronze, and standing bold and leggy and negligée'd outside Rank Film Distributors. Single-handed, Miss C is keeping the flag of British sex-appeal flying in international cinema, and goodness knows what would *happen to that dwindling commodity* without her: *or* what would happen to movies like *Sunburn*.

The nominal leading lady of this jet-set comedy-thriller is Farrah Fawcett (ex-Majors), the sort of assembly-kit Hollywood beauty—all teeth and golden cascading hair—that Miss Collins has always been one parodic and transcendent jump ahead of. Here Miss Fawcett plays the side-kick and pretended *wife of private-eye* Charles Grodin, investigating insurance frauds in Acapulco, and Miss Collins plays—well, nobody in particular: a rich suspect's wife who waylays and seduces every man that crosses her path. But like a Venus fly-trap in a *peignoir*, Miss Collins pants and gurgles and insinuates and slithers and wraps herself around the furniture and is truly hilarious. The cinema has seen nothing quite like this since Swanson in *Sunset Boulevard*. It's the apotheosis of High Camp.

The rest is the apotheosis of lowly drivel. Charles Grodin—an interesting actor who never got his bumbling comic persona quite right in *King Kong* or *Heaven Can Wait* and continues not to do so here—leads the investigative fun-and-games in bright-skied Mexico; and making a threesome with him and Ms Fawcett is Art Carney, playing a grouchy-but-lovable retired private-eye for what must be the 836th time in his career. The *plot advances hobblingly from* confusion to chaos over 98 minutes, with nary a glimmer of wit (save from Miss Collins) and with many a sigh for that now-knighted gentleman who used to carry this sort of thing off—the fun-packed thriller in exotic climes—with such effortless brilliance. I refer of course to Sir Alfred H. Perhaps we should make it *two* monuments in Wardour Street. . .

*

Jean-Marie Straub and Daniele Huillet have, like Joan Collins, cornered a section of the movie market. Their appeal, however, is somewhat antithetical. Where Miss Collins is the Queen of Overkill, the "Straubs" are the Monarchs of Minimalism. A season of their *movies starts at the ICA this* week, opening with their newest film *From the Cloud to the Resistance* and going on to embrace earlier titles like *Othon* and *The Chronicle of Anna Magdalena Bach*. You should explore their frugal, crystalline intelligence. There is much dialogue, much immobility of camerawork, much batting to and fro of philosophical ideas, much beautiful landscape photography, and a general sense *that though time can't be made* to *stand still* for many other film-makers, it can be — and is — for the Straubs.

Also at the ICA this month, more Ireland. A season called "The Outsider's Ireland" unreels movies made about the Emerald Isle by non-Hibernian directors. *On display: Odd Man Out*, *Ulysses*, *Hennessey*, *The Outsider*, and a host of other curios, classics and collector's items.

John Gielgud, Richard Attenborough talking to Nicol Williamson in Otto Preminger's "The Human Factor."

Festival Hall

Rakhmaninov's Francesca

Rozdestvensky, at Wednesday's BBC concert, dug deep into the Russian repertory for our benefit. He came up with one positive gain — Rakhmaninov's short opera *Francesca da Rimini*—and one more doubtful find — Glazunov's ballet *Les Ruses d'amour*. The opera was began in the difficult period after the failure of Rakhmaninov's First Symphony, put on one side, taken up again and finally produced (in a double bill with his *Miserly Knight)* in 1906 at the Bolshoy.

The librettist was Modest Chaikovsky, whose brother several years before had used the same episode from Dante's *Inferno* as the basis of a *symphonic poem*. The opera itself resembles more than anything an extended symphonic poem with solo voices and chorus. Except for fleeting appearances by Dante and Virgil there are only three characters—Francesca, Paolo, and Paolo's malformed brother Lanceotto Malatesta, who is also unfortunately Francesca's husband. The chorus, mostly wordless, represent damned souls. No one could manage wailing and moaning better than Rakhmaninov, but it has to be said that the opening and closing sections when the chorus are involved come very near Chaikovsky.

The opening, when Dante and Virgil make their informal descent to these mournful sounds, is long out of proportion with what follows. Otherwise the score is well worth revival, less for the opera house than for gramophone or concert hall.

The vocal writing as might be expected from a song-writer *with such* a gift for lyricism, is gratefully wide-ranging. Lanceotto's monologue of jealousy, suddenly dissolving into bitter-sweet major as he foresees happiness if Paolo can be banished, is finely sustained; the love scene for Paolo and Francesca as ardent as the hottest Italian *verismo* with an elegance of expression not always to be expected from that quarter.

The performance by the BBC Symphony Orchestra and Singers combined fierce intensity, attention to detail and strict control in Rozhdestvensky's best manner. He made the pause between the two parts as short as possible (how odd of Rakhmaninov to have made a break in such a unified conception). As Francesca Linda Esther Gray poured out lambently exciting tone. The Paolo, Robert Tear, not an obvious partner for Miss Gray, was equally warmly involved. John *Shirley-Quirk wrung sympathy* for Lanceotto.

Glazunov's main ballets, *The Seasons* and *Raymonda*, are familiar up to a point. His third, *Les Ruses d'amour* (1900, St. Petersburg, choreography by Petipa) is so far forgotten that the programme was able to give hardly any information. The opening number (or overture?) is based on the French song "*J'ai du bon tabac*," which merry tune returns at the end, by which time a deal of pretty but not always remarkable ballet-music, including a valse and *what is presumably* a grand pas-de-deux with filigree solo work for violin and cello, has tickled our ears. The scoring is as sumptuous as one would expect, but the jewels are paste — nothing of Chaikovsky's urgency or instinctive feeling for classical dance. Still, it was nice to hear music for dance well played by a large symphony orchestra.

RONALD CRICHTON

Wigmore Hall

Kristin Merscher

When she appeared in the *semi-finals of the Leeds Competition* 16 months ago Kristin Merscher was just 17, and I called her then one of the most sensationally gifted pianists ever to appear on the competition's stage. She was young, and her performances were young, too—but they had glitter, and confidence, and thrilling potential. She was clearly an exceptional discovery: although the jury, with a jury's customary grey and moralising caution, *passed her by for the finale in* favour of two far duller talents.

Since then she has wisely kept away from the limelights, and continued with her studies, waiting until Wednesday to make a modest London debut in the Wigmore's Debenham series. There is still much work and much exploring to be done, and there are important doors still to be opened; but she gave no reason either to modify the opinion that she is potentially, for all that the sensibility is not yet fully formed, one of the most exciting young artists to be introduced to the capital in years.

She began with the Liszt arrangement of Bach's organ Prelude and Fugue in A minor —the kind of performance Schnabel used to describe as "enormous," not for its length or dynamic weight (although Miss Merscher gave us weight in plenty), but for its spirit: big, brassy organ tones, ringing bass octaves, driven with unstoppable energy. She followed this *clarion overture with Chopin's* A flat Ballade and B minor Scherzo, both articulated with splendid precision, every *fortissimo* climax on a knife edge, sparkling bright. But she should consider also the nature of a true Chopin *sotto voce*: is it really such a robust and forthright *mezzoforte?*

She devoted her second half to two of the repertory's most exacting warhorses, Ravel's *Gaspard and the second book of* Brahms's Paganini Variations, clearing every hurdle—and no exception — with astonishing *ease. On one level* it was a truly impressive achievement: but on another almost too nonchalant, as if brilliant reflexes had sometimes taken over from (or not yet reached) the heart—where, for example, were the little expressive *douceurs* of "Ondine" that her fingers could so easily have encompassed, or the touching curves, deeply sentimental, of the Brahms fourth variation? She has proved that she can master *the broad lines*, and all of the dangers, of the most virtuoso score. The time is coming, and no doubt soon, when she must draw the focus closer, and read more *deeply into the music*, above, below, and between the lines.

DOMINIC GILL

New musical director for Bournemouth Sinfonietta

Volker Wangenheim is to relinquish his position as principal conductor of the Bournemouth Sinfonietta, a post he has held for three years. He will make his final appearance as principal conductor on Sunday, July 13, at the Winter Gardens, *Bournemouth* and from September 1 he will be succeeded by Ronald Thomas, the present leader of the Sinfonietta.

Mr. Thomas will have the title of musical director and as such his responsibilities will be divided between directing from the leader's chair and conducting.

Leader of Scottish Opera Orchestra appointed

Scottish Opera has announced that the leader of the new Scottish Opera Orchestra is Angus Anderson, at present associate leader of the Scottish National Orchestra. The first performance by the new orchestra is next Thursday.

Jane Carr and Matyelok Gibbs

Leonard Burt

Warehouse

The Caucasian Chalk Circle

by MICHAEL COVENEY

At least the basic moral of Brecht's parable emerges bright and clear in John Caird's RSC revival, which has lately completed a national tour. That is, that the play within a play, provided by the narrator for two rival communes contesting a valley *after the last* war, illustrates *that* those who treasure and maintain human resources as well as human *life* shall inherit the earth.

It is a rich and teeming play, one of my favourites, but it needs vigour as well as imagination in the presentation. It received that sort of treatment at *the hands of the Rustaveli* Theatre Company currently at the Round House. The RSC's approach is dutiful, dogged and disappointingly prim. Visiting companies of the Rustaveli's calibre so often expose weaknesses in our classical output.

Although Alun Armstrong attacks the role of Azdak, the drunken judge who finds system in muddle, with boozy relish and enveloping gusto, the evening begins to drag interminably at those examples of crazy justice in action. Jane Carr as Grusha, the kitchen maid who takes off across the mountains with the Governor's son after the palace has been sacked, does well to avoid the scrubbed grimness one usually associates with British Grushas. But she concentrates less *on establishing* the physical arduousness of her task than on giving off an air of saucy camaraderie with her charge. She plays for light comedy throughout, chiding the child for snivelling and raising a good laugh with her warning that "being poor *and* cold puts people off."

The tone of Grusha's relationship with her brother (Clive Merrison) across the mountains is likewise glossed in funny accents that belong more to TV sitcom than to the Georgian pass. Chris Dyer's design is a large white space decorated with brutalistic properties and human sound effects. So, you suddenly find Mr. Merrison standing in a corner moaning softly and stretching a long diagonal *rope as Grusha* flees the Ironshirts and leaps the windswept ravine to safety. The wonderful comedy of the arranged marriage of Grusha to the "dead" bridegroom is rather muted, but John Rogan contributes a fine cameo of the "cut-price monk" (Azdak's prototype in the play) with his simultaneous offer of funeral and wedding rites.

Kenneth Colley's Narrator is curiously self-effacing and uninvolved, just *another example of* the production's failure to seize the play by the scruff of its neck and shake it to life. Stephen Oliver's music is mercifully un-Brechtian, but its delivery is too often entrusted to the cast standing in line and belting it out in that po-faced manner we mistakenly assume to be appropriate. Incidentally, for the second Warehouse show running, a girl suckles a baby at a fully-clothed breast. I am not advocating realism in all things, but it seems odd that a company so uninhibited with language should rarely appear physically liberated.

New arts sponsorship

The most valuable scholarships ever awarded at the Guildhall School of Music and Drama are to be offered by British Petroleum to four post-graduate students of outstanding ability during 1980 to commemorate the school's centenary.

These annual scholarships *will consist of two for the post-*diploma opera course (any voice) and one each for piano and strings on the advanced solo studies course. Each scholarship will be worth £2,700.

The winners of the scholarships will be announced in May *and there will be a presentation* recital for them in June. Applicants should apply to the Registrar at the Guildhall School.

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Crucial vote for BL Cars

FOR THE second time in four months the employees in BL Cars are being asked to vote on management proposals designed to safeguard the future of the business. Last October they supported by a big majority the company's recovery plan, which included plant closures and a large number of redundancies. Since then the Government has agreed to provide the additional funds necessary to carry through the restructuring programme. Now the issue is efficiency. Over the next few days the workforce will decide whether to accept or reject a package of wage and productivity proposals which involve far-reaching changes in work practices.

New models

The union negotiators are opposed to the proposals and are campaigning against them. But their decision to call a ballot of the workforce is a measure of their uncertainty about shop floor attitudes. For the management the vote is crucial. Without much greater flexibility in the use of labour, as set out in a detailed document already distributed to the employees, the company will remain a high-cost producer.

BL's strategy for re-establishing a viable car business has three strands. The first is to bring capacity into line with demand for the company's products; that is the purpose of the rationalisation programme approved in October. The second is to strengthen the model range. The third is to ensure that the plants which remain are manned and operated to the best international standards.

After a regrettable hiatus, which has seen the company's share of the UK market drop from 30 per cent in 1974 to well below 20 per cent, changes in the model line-up are imminent. Later this year a new version of the Marina will be launched; in October comes the Mini Metro, followed in 1981 by the Honda-designed car.

Credibility

Whether the company can regain some lost market share in the period before the new models arrive depends in part on the confidence of dealers and customers in the future of the business. This gives added importance to the forthcoming ballot. If it shows that a sizeable majority of the workforce is willing to go along with the changes the company wants, the credibility of the management will be enhanced. As for the employees, Sir Michael Edwardes and his colleagues have shown on several occasions —notably in the dismissal of Mr. Derek Robinson, the Longbridge shop steward—that they will not be deflected by trade union obstruction from doing the things they believe are necessary. Whatever the outcome of the union inquiry into Mr. Robinson's case, the company is highly unlikely to back down on the issue.

A favourable ballot result would represent, of course, only the first step in the reform of work practices. Implementation will impose a considerable strain on management at all levels. The company's earlier experience of switching from a piece-work method of payment to measured day work, where the results were extremely disappointing, shows how important it is for changes of this sort to be preceded by very thorough preparation and training. The hope is that the plant-level bonus schemes will give an incentive to the employees to co-operate in the new arrangements, but the task of changing long-established habits and attitudes is a formidable one.

Solid base

In the five years since the Government's rescue of British Leyland the company's competitive position has continued to deteriorate. The present management has not yet been able to halt the decline in market share. Yet its plans are more realistic than those contained in the Ryder Report. There is no reason in principle why BL Cars should not be viable with a production of around 750,000 vehicles a year, just as Honda is. Once a solid base can be established, the company can perhaps begin to claw back some of the lost ground.

To get that solid base the whole workforce has to play its part. While the ultimate test is whether it can produce vehicles which people want to buy, a dramatic improvement in productivity is a necessary condition for the company's survival. That is what the ballot is about. But it also has a significance which goes beyond BL. A victory for the management may encourage other companies, in the public and private sectors, to get to grips with the obstacles to productivity, if necessary by a direct appeal to their employees.

Protecting the lenders

THE long running discussion of Euromarket control sometimes seems to resemble the drone of bag-pipes above battle — an incessant sound which has little relevance to the underlying action. Yet there seems a fair chance that in 1980 a blend of external control and self-control will actually start to bite into the business of international bank lending. There are limits—self-imposed and, increasingly, monitored by banking authorities—as to the proportion of a bank's capital which may be put at risk in any borrowing country. It is clear that in some cases this limit lies far below the demands which some borrowers could make on the banking system this year.

Mr. Henry Wallich, Governor of the U.S. Federal Reserve, provided a concrete example in a recent speech. He pointed out that if the group of banks providing much the largest part of current loans to Brazil were to expand those loans in line with their capital expansion this year they could provide the country with an extra $1.5bn. It is common knowledge that Brazil will need to raise ten times that sum in 1980.

'Prudential control'

Demands of this order coincide with a moment when the rambling debate on eurocurrency controls is focusing more exactly on what should be achieved and how to achieve it.

Control is more closely defined today to mean " prudential control ". Originally there were other grander aims for euromarket control such as curbing credit creation, or reducing currency speculation, or preserving the economic sovereignty of industrial countries, or keeping smaller countries on the straight and narrow. These macroeconomic aims have today been subordinated to the aim of keeping international banking safe.

The essentially macroeconomic idea that banks should be subject to an international system of reserve requirements is now conceded, even by its former proponets, to be in cold storage.

The emphasis today is on control, via the parent of each banking group of internationally consolidated balance sheets assessed first for the exposure of each bank to individual countries and, second, for the ratio of total loans to shareholders funds.

We are still far from a situation where international banks are forced to limit their exposure to particular countries. But there is a broad move, coordinated through the Bank for International Settlements, to get the banking authorities in each country to at least monitor the exposure of the banks under their control.

Uniform imposition of permissible balance sheet ratios remains far off. But even on an unco-ordinated and self-imposed basis they are beginning to take effect. Capital constraints are cited as one reason why the U.S. banks cut back very noticeably on the pace of their third world lending in 1979.

The second recycling challenge has prompted some bankers and central bankers to suggest the authorities should now go easy on Euromarket controls and let the banks get on with the recycling job.

It is surely wrong to suggest that risky banking be allowed to solve a financing problem, however important. It is also quite possible that a blend of prudential control and self-control is exactly what is required to force alternative ways of recycling to emerge. When and if banks are physically unable to meet specific demands for credit or to accept deposits the funds will be forced to flow through different and safer channels.

Virtually untapped

Nor do all these channels need to be invented. The international bond market remains virtually untapped for recycling. Banks could act as loan-brokers arranging syndicated loans directly between OPEC wealth and development needs. Direct investment by OPEC countries in the third world is widely advocated. And in special cases bank lending might be bolstered by guarantees either from Western Governments or from the International Monetary Fund, or by IMF loans. Despite the new recycling problem the attempt to refine and co-ordinate limitations to banking risk must go on.

Chemical companies turn to downstream specialities

By SUE CAMERON, Chemicals Correspondent

A GROWING number of European chemical companies are starting to seek refuge from the storms of petrochemical production and the world's oil markets in the making of high value specialities.

Chemical industry pundits have for years been advising manufacturers to move away from heavy, basic chemicals to making more specialised products. Some have done so and the trend is accelerating. They are acting in response to what some of them see as fundamental changes in the market place.

Several companies view the increasing emphasis on specialty products as part of a sort of domino pattern set off by changes in the control over world oil supplies. They argue that the big oil companies are being superseded by the State oil corporations of the producing countries in areas like the Middle East. They expect that this will encourage the oil majors to pay greater attention to their chemical subsidiaries.

The chemical subsidiaries of oil companies tend to concentrate on petrochemicals and commodity products such as plastics materials—the area closest to the crude oil business. If their already considerable hold on this sector is further strengthened, then the more traditional chemical companies may be forced to look to downstream specialties in order to maintain profits.

Eastern bloc competition

Monsanto Europe, part of the U.S.-based chemicals group, says the oil majors are "under pressure" in areas like the Middle East over their crude supplies. Mr. Jack Fitzgerald, managing director of Monsanto Europe, reckons the oil companies are therefore likely to move more strongly downstream into commodity chemicals.

He adds that the traditional producers of commodity chemicals are currently facing competition from eastern bloc countries as well as from oil-backed chemical companies at the very time when growth rates are slowing down. High growth rates " can cover a multitude of sins," but the picture is "entirely different" when there is a growth rate of no more than 2-3 per cent, when more producers are moving into the market, and when everyone is therefore being squeezed.

Monsanto Europe itself is already moving out of certain bulkier and less profitable product areas. Last spring it announced it would be closing down its European nylon fibre business. Two months ago it disclosed plans to shut down the polystyrene and chlorine operations of Aiscondel, its Spanish subsidiary.

Meanwhile it has been building up a number of specialised products such as Saflex, a polyvinyl butyral interlayer for safety glass which is used in windscreens, and Roundup, a versatile herbicide that can be used in vineyards, orchards, forestry plantations and crop stubble.

Mr. Fitzgerald says that the development of highly specialised proprietary products should enable a company to stay well ahead of the new competitors and that there are plenty of opportunities waiting to be seized in the specialised product field. If he were starting from scratch he would look at food production, at pharmaceuticals and energy conservation. Monsanto was "fascinated by the raw, rapid growth" that was taking place in these fields.

But he admits that the difficulty in the way of developing chemical specialties is the high cost of technical research; market research and product promotion.

The building up of a successful fine chemicals research department requires not only a great deal of money but also much time. Pharmaceutical companies, for example, examine thousands of compounds during the initial stages of research into new medicines and no wonder drug has ever brought its makers fame and fortune overnight. The specialty field is a hard one for smaller companies to enter. Those that find themselves being squeezed by oil-based groups in the bulk products sector may also discover that they do not have the resources to start developing specialties as an alternative.

The companies best placed to move more heavily into specialties are clearly those that can build on existing fine chemicals businesses. The Swedish-based Kema Nobel has been making products like pesticides for some time and has started stepping up its activities in these fields and specialising to an increasing degree. At the same time it is expecting less, in terms of performance, from its base chemicals operations. At present base chemicals account for 29 per cent of the group's total turnover and it is thought this figure will drop over the next few years. The contribution made by such specialist subsidiaries as Keno Gard on the other hand, is likely to increase.

Defensive strategy

Kema Nobel believes the oil companies' subsidiaries are "pushing" at the heavy chemicals sector and that some of the bigger, traditional concerns are turning to "specialised products as part of a defensive strategy." Mr. Per Knuts, head of Keno Gard, reckons his group has obtained a head start on some of its competitors in the specialties field. Like Monsanto Europe, he pinpoints food production and energy conservation as areas for specialty product expansion.

Mr. Keith Walley (left) of Shell Chemicals: prepared for some stiff competition. Mr. Jack Fitzgerald (centre) of Monsanto Europe: moving out of certain bulkier products. Dr. Kurt Lanz (right) of Hoechst: strength on size and diversity.

"Some time ago we realised that in the base chemicals sector we would find ourselves competing against countries which had better access to raw materials and cheaper labour costs," Mr. Knuts says. "We therefore decided to reformulate our strategy. Sweden is strong on research and development and the country also has entrepreneurial skill. Kema Nobel chose to focus on selling knowledge rather than just selling chemicals."

Although Kema Nobel is expecting base chemicals to make a smaller contribution to its total business over the next few years, the petrochemicals operations of some of the biggest traditional chemical companies — notably those of the three German giants, BASF, Bayer and Hoechst — are in extremely good shape. The oil crisis of 1979 boosted demand and enabled companies to push up prices in a sector that had been suffering from weak prices and from overcapacity for several years. But the boom is not expected to last. The West German Chemical Industry Association now says it fears a slowing down of growth in petrochemicals during the coming months.

Hard times should tend to favour the oil-backed heavy chemicals groups while encouraging some of the traditional companies to move out of certain bulk products and into specialities. That does not mean that Europe's chemical industry is about to play an elaborate game with everyone moving down a place when the echoes of last year's oil crisis die away. The strongest of the traditional companies will continue to make petrochemicals against the increased competition of the chemical affiliates of the oil majors. At the same time, the areas where they will look for the greatest growth will be their speciality product businesses.

Hoechst is certainly not expecting the oil-backed chemical companies to push everyone else downstream and into speciality products—though it has to be said that Hoechst itself would be hard to shift in any direction. It is probably the largest chemical company in the world and certainly the biggest pharmaceutical producer.

Dr. Kurt Lanz, deputy chairman of the German-based group, maintains that Hoechst's strength lies partly in its very size and diversity. If one of its businesses goes through a lean time, it will still have two or three successful operations to make up for it.

He adds that a chemical company is not necessarily better off just because it has an oil parent. But he also says that Hoechst — which does not possess oil of its own—has no current plans for putting new money into those of its businesses which are related to petrochemicals, including the fertiliser sector.

The group is looking for growth in some of its downstream speciality areas and is planning to invest in them. It will be putting money into pharmaceuticals, which now account for 18 per cent of its total business worldwide, and for 15 per cent in Germany. It will also be investing in agrochemicals, which represent 7 per cent of its worldwide turnover and 5 per cent in Germany. In the longer run it foresees agrochemicals accounting for as big a slice of total sales as pharmaceuticals.

One other area where Dr. Lanz sees cause for optimism is plastics—the heavy end of the industry. He believes the need to save energy and, in particular, to reduce the weight and petrol consumption of motor cars, will provide considerable opportunities for the application of plastics materials producers. But even within this commodity sector, he expects to see far more specialisation.

Mr. Keith Walley, managing director of Shell Chemicals UK, part of the Shell oil group, says his company intends to develop more specialised plastics — though he is prepared for some stiff competition from a number of the big, traditional chemical companies. He believes that there is likely to be a strengthening of the chemical subsidiaries of oil companies while some of the traditional chemical groups may well move into more specialised product areas further downstream.

Supply-base advantage

Chemical companies that are affiliated to oil majors undoubtedly do have some advantages over their non oil-based competitors in the petrochemicals field—especially when supplies of oil-based raw materials are tight and when prices are soaring as has been the case over the last year.

One reason why ICI decided to buy a 19.2 per cent stake in the Ninian oil field in the North Sea was the wish to safeguard its petrochemical feedstocks. The group is one of the few traditional chemical concerns to have bought its way into oil. The move suggests that ICI was alive to the dangers of non oil-based companies being pushed out of the heavy end of the business. The UK-based group was determined that whatever happened to others, it was not going to see its petrochemical market share eroded by oil-backed producers. Today it obtains about 33 per cent of its oil-based naphtha feedstock from Ninian and is in a strong position to negotiate the price of what it has to buy in.

There seems little doubt that oil-based chemical companies are going to be in a peculiarly strong position to increase their competitiveness at the heavy end of the business over the next few years. But that does not mean they will start rushing to invest in base chemicals across the board. Their oil parents may be able to help them with technological expertise and with secure feedstock supplies, but they cannot immunise them against overcapacity, weak product prices, the development of state petrochemical industries in the Middle East and the eastern bloc, or any of the other forces that affect the market.

While pressure from the state oil corporations of the producing countries is likely to make chemical production more attractive to the international oil companies, it will also encourage them to step up expensive exploration activities in the politically stable areas of the world. All of that should ensure that the oil-based groups are highly selective in their investment in petrochemicals. The logical course for them and their parents is to expand at the heavy end of the chemical industry. This can only encourage an already clearly defined trend for the traditional chemical majors to place increasing emphasis on their downstream speciality products.

MEN AND MATTERS

Ironing out the bugs

The exposure of a nest of phone tappers in Chelsea was received with something verging on disdain by the captains of our private security industry. "I'm not at all surprised," says Douglas Phillips, president of the Association of British Investigators. "We have always been aware that monitoring is done to such an extent that even we do not discuss certain matters on the phone." He admits to being vaguely amused that someone's apparent obsession with centralisation had led him to put "so many eggs in one basket."

"All that fuss," he says laconically, "you can do it without such a sophisticated set-up. It can be done at any time in all kinds of ways by skilled, unethical people." Phillips maintains that all forms of communication in Britain are monitored. The Home Office takes a regular trip through all radio frequencies as a matter of routine. And post, Phillips points out, can be examined with the help of sprays which render envelopes temporarily transparent. But he also believes official surveillance is necessary because the authorities have to keep an eye on militants and such.

The apparent sophistication of the equipment in the alleged bugging centre in Ebury Bridge Road prompted Phillips to point out that commercial and industrial managers should also beware of increasingly devious means being used to "steal" confidential information. Relatively new in the market are laser scanners and the "infinity transmitter," which can be planted on a telephone line anywhere between the exchange and the handset, and used to listen to conversations in the room where the phone is situated. The spy can dial the phone number from anywhere with a special box of tricks. The phone does not ring, but the mouthpiece is automatically transformed into a transmitter. Should the phone be lifted, the eavesdropper is cut off. If anyone else tries to call the number all he hears is the engaged tone.

"Don't ring us—we'll bug you"

Poles apart

For those who feel their lives lack that touch of ceremony and pageant, a competition just announced in Poland should help. Poland's Society for the Encouragement of Secular Culture, has launched a competition asking the people to think up suitably socialist ceremonies which would cover the more important moments in a person's life.

The society is a small band of indefatigable atheists who battle for their lack of belief in the face of the formidable Catholic church. The competition is looking for ways of rivalling the church's flair for pomp and circumstance. Apart from the everyday occurrences of naming a child or registry office marriage, the organisers are looking for ceremonies for becoming a member of a housing co-operative—"being handed the keys," for instance, and "being promoted" at the office.

The range seems unlimited from getting one's first job, to gaining professional qualifications, to commemoration of office or shop floor achievement. The same range applies for pupils at school and even farmers have not been left out—"handing over the farm from father to son" is one of the subjects.

Still game

While politicians grow increasingly doubtful about supporting the Olympics in Moscow, commercial backers for the British team still appear happy to continue putting up money for support. The National Westminster Bank yesterday added a further £30,000 to its £60,000 contribution towards helping athletes prepare for the games.

And George Nicholson, appeals director of the British Olympic Association, declares himself well pleased with the way the money is coming in. So far he has £550,000 of which £350,000 comes from commercial sponsors. He reckons he needs an extra £400,000 and is anxious that individuals or organisations should not be put off their planned fund-raising projects by the political climate.

All the major traditional sponsors had contributed money, he told me, and only yesterday a "very prominent" pharmaceutical company had asked him for a contract worth £10,000 under which it would be allowed to use the Olympic emblem on its products.

Dig in the ribs

The long-simmering antagonism between Britain's archaeological establishment and the metal-detecting fraternity who roam the countryside in Wellington boots and headphones digging up bedsteads is boiling up again.

The newly-formed Detector Information Group has applied to the Charity Commission demanding that the Council for British Archaeology should be stripped of its charity status and thus lose its tax concessions. Frank Mellish, DIG's research director, claimed that the council should be de-registered because of its political activities, which, he says, "are specifically out of bounds" for charities.

I am told by the Charity Commission, however, that no organisation on its books has ever been struck off for straying into politics. The worst that can happen to the council, I understand, is a ticking off and a demand for money spent on political activities to be restored to its trust fund.

Archaeologists have been campaigning for years against what they consider the dangerous use of metal detectors on potentially valuable historic sites. There are at present 140,000 licensed metal detector owners in the country and a flock of followers estimated to bring the total to 250,000. The CBA, which has been lobbying for controls, was unimpressed by DIG's challenge. "Oh, what fun," exclaimed a lady taking my call. "I'm terrified," quaked Peter Marchant, the council's administrative secretary. "We are trying to preserve the nation's heritage," he said. "It's a preposterous move."

Clearly accustomed to dealing with the hobby lobby, Marchant said they recently complained that the council had described them as "scum." "How they managed it, I don't know, but they somehow twisted a reference to our Study Conference of Unit Managers into an attack on them."

Cocktail cuts

Wit has been fairly thin on the ground amid the general huffing and puffing over the Soviet invasion of Afghanistan, but the octogenarian President Bourguiba of Tunisia seems to be keeping his head. Entertaining the ambassadors in his country the other day he turned to the Soviet representative. "What is the total area of the Soviet Union," he asked innocently. The ambassador muttered a response with plenty of zeroes at the end of it. "Not enough for you, eh?" replied Bourguiba laconically.

Observer

The Government follows Lord Denning

Lord Denning:
said the strike was illegal

Mr. James Prior:
adding to the law

Professor Goodhart:
gave the original formula

THE STEEL strike is producing opportunities for the Government as well as pitfalls. Who would have thought last week, for instance, that the Cabinet would be obliged to pluck up the courage of Lord Denning's convictions and seek to strengthen the legislation on secondary picketing now before Parliament? Yet that is exactly what has happened.

The Appeal Court ruling by Lord Denning and his two colleagues last Saturday forbidding the extension of the strike to the private sector may very well be overturned in the House of Lords today. Indeed, that is almost the Government's expectation, though the opinion of the Law Lords may be less than unanimous and the small print will be watched.

Whichever way the judgment goes, however, the Government has accepted that the law relating to secondary action in a trade dispute is unclear and must be changed. Necessity provides the opportunity to bring the law more into line with the Conservatives' election promises, namely those to curb the power of the unions.

The existing law was once described by Professor Goodhart as follows: "A strikes against B on a question of wages. Thereupon C strikes against D because he believes his act will be in furtherance of A's dispute against B. Both A and C are protected under the 1906 Act." The 1906 Act legalised secondary action provided that it was "in contemplation or furtherance of" the original dispute.

Until the last year or so Professor Goodhart's interpretation was not seriously challenged. It was widely believed that objective criteria for establishing what action was or was not in pursuit of a dispute could be fairly easily determined. The hint of a change came with the case of Express Newspapers v McShane, though for the Conservatives it turned out to be something of a false dawn.

Lord Denning ruled that the action of the National Union of Journalists in asking national newspaper journalists not to handle Press Association copy in pursuit of a dispute concerning provincial newspapers was too remote from the original dispute to be allowed. His judgment was overruled in the House of Lords, much to the relief of the unions.

Looking back, however, it can *be seen that the Law Lords'* findings in that case were much less clear-cut than was widely assumed at the time. It was said by Lord Wilberforce, for instance, that his judgment might have been different if the union's action had threatened to have more serious consequences. As it was, it was a less significant dispute. But if it had led to the cessation of publication of the national newspapers, the *Lords' judgment might well* have gone the other way.

The case of the independent steel producers begins almost where McShane left off. It is on an altogether higher level. An extension of the strike to the private sector might not, as was claimed by Lord Denning, "put the whole nation and its welfare at risk." But at least it would be hard to argue that it would have no effect on the *national economy. Something of* the concept of the national interest has thus been introduced into the pleading, and will no doubt reappear if the law is not changed.

Moreover, the steel producers were able to say that the Iron and Steel Trades Confederation (ISTC) was seeking a second dispute by putting pressure on the Government rather than simply on the British Steel Corporation. Since the Government is ultimately the BSC's paymaster, this is a fine distinction. Indeed it is because the Government and the Steel Corporation are so inextricably *linked that the Court of Appeal's decision is expected to be overturned by the Law Lords.*

Nevertheless, if the law were not changed, there can be little doubt that this kind of case would recur. The existing law is under challenge, and there is a growing tendency to reject the simple Goodhart formula.

So much is not really surprising. The 1906 Act was *framed at a time when the* unions were much less powerful than they are today. The need then was to give them protection or immunities rather than to prevent their power getting out of hand. There were also then no nationalised industries, so that the Government was pretty far removed from most industrial disputes. It was not the paymaster to a large part of the national workforce. There was very little tendency then for every major strike to become a general strike. Yet today the Goodhart formula can be read as a recipe for precisely that.

Look at the *formula* again. A is the ISTC striking against B which is the BSC. In the first instance C is the ISTC in the private sector striking against D, the independent producers. But C and D could very well be extended to include all sorts of other sectors if other unions were to take up the steel workers' cause. That is an *intolerable state of affairs, particularly if it is suspected* that the real reason is to persuade the Government to change its overall policies.

That is the objective reason for change. The law has been found by the judges to be less clear than was once thought, and it is also out of date. We now move, however, to what the Government is going to do about it.

The Conservative manifesto made no bones about it. It was not talking simply about clarifications of the law but about changing the balance of power. "Between 1970 and 1974," it said, "Labour enacted a 'militants' charter' of trade union legislation. It tilted the balance of power in bargaining throughout industry away from responsible management and towards unions." And again: "Labour claim that industrial relations in Britain cannot be improved by changing the law. We disagree. If the law can be used to confer privileges, it can and should also be used to establish obligations."

Yet *the initial changes when* they were first published in the Employment Bill turned out to be relatively mild. We now know that in the light of recent court decisions they will be considerably more restrictive so far as secondary action in an industrial dispute is concerned. The emphasis may have switched from limiting secondary picketing to restricting any form of secondary action altogether. The Government is now in a position to put one of its main election pledges into effect much more quickly than had originally been planned.

It is worth considering how *this came about. The overwhelming* conclusion is that the Government arrived in its present position by accident. There was a *steel strike which* hardly anybody wanted and which few people expected to take place. The TUC did its utmost to prevent it. The strike is now in its fifth week.

It is possible, as I suggested last Friday that the strike will end with a *settlement not much different from the terms already* offered and the emergence of a streamlined Steel Corporation, reconstituted, decentralised and perhaps even partially denationalised. But the fact is that nobody knows. The steel dispute might also lead to something approaching a general strike.

Again, if there had been no steel strike, the case of the independent producers in the Appeal Court would never have arisen. The Government might not then be proposing to amend the Employment Bill in a way that is bound to arouse the unions yet *further and at a time* when a major national strike is still going on.

Tory hawks might argue that all this is for the best. In other words, it is better to do the controversial things at the beginning, almost in one fell swoop. First put up VAT to 15 per cent, raise the minimum lending rate to 17 per cent, cut public expenditure, and then *clamp down on* trade union immunities. After all, there will then be four years in which to see if the experiment works.

One must confess that there is something to be said for that point of view. But there is no evidence that that is how the campaign has been planned. The Government is proceeding by a mixture of ad hocery and theology and the qualities are not always applied in the right *places. It was the theological* approach that was applied to the original steel pay negotiations. The Government wanted to show that it was not going to intervene. Yet it overlooked the fact that it was seeking to impose the doctrine of non-intervention on an imperfect model. It was not the best Corporation to which to apply the theory that management *must manage* and *that if management says* it can break even next year within the promised cash limits, management must be right.

It appears that unions and management at the BSC are incapable of coming to an agreement without government guidance. That does not prove that the Government's theories are wrong, but merely that the BSC in its present state is not fit to respond to them. The strike could almost certainly have been prevented, and with it a great deal else, by a little mollycoddling.

The ad hocery comes out in *the approach to Lord Denning's* judgment. In fact, there is probably no alternative in present circumstances to amending the Employment Bill in Committee Stage, but that is not what was originally planned. The abandonment of gradualism came about by accident. The reactions are unforeseeable.

Not least, one of the oddities of what has occurred is that Mr. James Prior, the Employment Secretary who was once regarded as the unions' Tory friend, is now seen as almost indistinguishable from Sir Keith Joseph, the Industry Secretary and chief theologian, though in practice a pragmatist. Mr. Prior takes the view that the union leaders will have to get used for a while to being outside the corridors of power, an experience he has known himself.

What will happen next? It is not clear that anyone has much idea. It is like watching, and for some participating in, a thriller whose outcome is uncertain. It is possible that the Government will win on all fronts and that the unions will prove to be a paper tiger. That is why one suggests that there are opportunities as well as pitfalls. It is also possible that the unions once roused will turn out to be a formidable force. Yet if the Government does triumph it will be more by accident than design. There is no reason at present to believe that anyone is in control of events.

Malcolm Rutherford

Letters to the Editor

Controlling the Comptroller

From Mr. J. Garrett, MP

Sir,—Michael Lafferty's article "Private eyes on the public audit" (January 29) was an interesting discussion on whether our state audit body, the Exchequer and Audit Department, should further develop value-for-money auditing but it ignored the far wider reforms that are needed in the system.

The most alarming feature of our state audit is the extent to which, though originally intended as an arm of Parliamentary scrutiny, it has been taken over by the executive. The 1866 Exchequer and Audit Act said that accounts should be examined by the Comptroller *and Auditor General* on behalf of the House of Commons. Chancellors of the Exchequer (e.g. in 1916 and 1921) referred *to the Comptroller as "an officer* of the House." The present Comptroller, when examined by the expenditure committee in 1977, said "I am totally independent, even of Parliament" though he quoted "a note about his department" which referred to it as an important instrument of the Treasury. The Treasury itself produced a paper for the committee which said that the relationship of the Comptroller to Parliament was simply that most of his reports were made to it and that he was a witness before the public accounts committee. The Government's response to the *expenditure committee's* proposal that the Comptroller and his staff should be made officers of the House was that it was of "cardinal importance" that he should not be subject to direction from any quarter. This encroachment on the rights of Parliament must be stopped.

It is true that the Exchequer and Audit Department must move not only into studies of value for public money but also *into studies of the results* and effectiveness of policy as the United States Comptroller has done and should examine the management of all spenders of state funds. To do this the department will need many more professionally qualified staff: but the attempt to take over the department by the accountancy profession must be resisted. Accountancy is not the best qualification for the *audit of effectiveness* and efficiency of public administration because accountancy training in Britain is far too narrow.

John Garrett.
House of Commons, S.W.1.

Private eyes on the public audit

From the Comptroller and Auditor General

Sir,—May I make one or two brief comments on Michael Lafferty's article on the Exchequer and Audit Department ("Private eyes on the public audit"—January 29)?

The management review to which he refers was undertaken and its findings published on our own initiative. I chaired the Steering group but we had the benefit of independent advice from government departments and commercial accountants. The report supported much of our organisation and approach, but naturally made some criticisms and left us with some problems on working methods. Public sector accounting and auditing is not identical to that in the private sector and one of the most difficult continuing problems is how best to achieve in financial audit an effective evaluation of the complex control systems in government without proliferating a mass of documentation or promoting a mechanistic and unrewarding approach. We take the view that government audit itself must provide value for the taxpayers' money.

"Systems-based good: transactions based bad," is a rather simplistic approach to public sector audit. I don't know whether our examinations of projects such as Concorde, the Tornado, the Thames barrier, major hospital building or computer procurement would be regarded as transactions-based, but they, and many similar areas of public expenditure, *have been subject to my department's* value for money investigations for many years past and the results reported to Parliament so that the public accounts committee could appraise the effectiveness of the administration.

Mr. Lafferty repeats the familiar criticism about non-qualified staff. Ever since 1921 E and AD staff had been given special training on a three-year day release course in financial and cost accounting, audit, and constitutional and commercial law, supplemented by internal lectures and other training. They took externally set and marked examinations. The Chartered Institute of Public Finance and Accountancy now provides a first class professional syllabus well suited to the wide responsibilities of public sector audit and we were happy to adopt it as our main, but not exclusive, qualification.

I am glad of the increasing interest shown in our work, and I look forward to the informed debate which I hope will be stimulated by the Government's Green Paper and by such contributions as those which the Consultative Committee of Accountancy Bodies has made. We shall give all suggestions for improvement the attention they merit.

(Sir) Douglas Henley.
Exchequer and Audit Dept.,
Audit House,
Victoria Embankment, EC4.

Public service rewards

From Sir Alan Neale.

Sir,—It throws useful light on some current discussion about rewards in the public service that your Mr. Lafferty (January 30) has identified the major problem of persuading a chartered accountant to succeed the present Comptroller and Auditor General. He tells us it would be that of "finding a suitable remuneration package."

If this tortured expression means much the same as what in our absurd civil service jargon we call "pay," *it is* interesting that Mr. Lafferty reckons the accountant would need just about twice as much of it as is paid now. This is well in line with the profession's view that the essential need is to make the control of public expenditure more expensive.

(Sir) Alan Neale,
37 Stormont Road, N6.

London hotel prices

From Mr. D. Hearn.

Sir,—Maurice Segal's letter (January 29) calls for a reply. Mr. Segal's company as an hotel booking agent derives its living from the hotel industry, yet like others who should have concern for the damage that they do to our national tourist interests, Mr. Segal chooses to bite the hand that feeds him.

I can give extensive details of the cost increases, including 49 per cent on wage rates over two years, which have forced up hotel prices. Like theatres, which have received *considerable public sympathy, hotels* and restaurant prices are subject to VAT at the full rate of 15 per cent.

I would not, however, wish to miss the essential point which is that the almost hysterical chorus about London hotel prices concerns only a handful of hotels at the top of the luxury range. Paradoxically from all the figures that I have seen, it is these hotels with the *highest rates which enjoy the* highest occupancies. Nevertheless they are entirely unrepresentative of London hotel accommodation in general.

A current tariff guide lists 130 hotels in London; only two of these charge prices as high as the rates quoted in the comparative survey published on January 26. There are many thousands of good hotel rooms available in London at less than £25 per night. Why is no publicity given to these hotel prices and why is no attention given to the wonderful value for money which hotel prices in the rest of Britain represent? You publish figures for Houston, Chicago and Los Angeles, why not Birmingham, Manchester and Glasgow to balance the picture?

The tourist industry is vital to Britain's prosperity, its foreign *earnings* last year exceeded £3.5bn. All of us benefit from this success to some extent, is it too much to ask that it should be applauded from time to time, instead of being constantly talked down?

Dennis Hearn,
Trusthouse Forte,
86 Park Lane, W1.

Paying for bed and breakfast

From the Chief Executive,
British Hotels Restaurants
and Caterers Association

Sir,—The FT in its survey last Saturday fell into the trap of basing its conclusions on a false premise; that because there are two international-class hotels in London which happen to charge £65.00 per night for "bed and breakfast," then businessmen from abroad regularly pay such amounts. They don't.

To base your cost survey on a norm of £65.00 per night is absurd. One could argue with equal logic—or rather ill-logic—that because a Rolls-Royce costs, say, £35,000 that the cost of British motor cars is the highest in the world, etc. With masterly understatement the FT does admit in the footnote to its table that London has "many good hotels adequate for the travelling businessman which are not as expensive."

In fact, the majority of bedrooms, with bathrooms, in London cost less than £25.00 per night. There are at least twenty excellent budget class hotels within a mile radius of Marble Arch where two people can stay, with breakfast, for £15.00 or less.

Of course London hotel prices have gone up in the last two years. But so have costs. For example wages (50 per cent.), maintenance charges (67 per cent) laundry (48 per cent). Rates continue to rise and rate bills of £250,000 per annum for centrally located hotels are common and I know of one which pays more than £400,000.

Despite such cost increases the hotel industry is doing its utmost to keep its prices down. Ill-founded comment and publicity does immense damage to tourism and makes our international competitors rub their *hands with joy.*

Clive Derby,
13, Cork Street, W1.

Less expensive at the Savoy

From the chairman, Savoy Hotel

Sir,—In your survey of living costs, published on Saturday last, you quote £65.50 as the *price of a single room and* breakfast in London hotels, by which you must mean the leading London hotels; and you say that the "soaring cost of London hotel accommodation" makes London the most expensive city in the world in which to stay.

Among the leading hotels of London, four of the most renowned are The Savoy, Claridge's, The Berkeley and The Connaught. In not one of these hotels is there a single room that, with continental breakfast, costs as much as £65.50, nor anything near it, and it remains very puzzling as to how this figure can have been quoted.

Unfortunately, information circulated around the world, which gives a false impression, however unintentional, does much harm to London and the nation's tourist trade.

(Sir) Hugh Wontner,
1, Savoy Hill, WC2.

The Editor writes: The three London hotels chosen to represent the top grade of hotel were the Intercontinental, the Hilton and the Hyde Park Hotel. The average cost of a single room with bath is £62 including VAT and service, but excluding breakfast. The average cost of continental breakfast is £3.50. Obviously it is possible to find a comfortable and convenient hotel in London for less. Equally, it is possible to pay more.

Unpaid bills

From Mr. D. Jerome.

Sir, — Neither Mr. Stern (January 18) nor Mr. Whiteland (January 28) in their letters regarding charging interest on outstanding accounts make reference to the Law Commission report published in June 1978. This report recommended to the Government that interest on unpaid bills should be recoverable as a right even though it may not have been provided for in the contract.

It is typical of Government and other bodies that this report has been ignored to the detriment of commerce and in particular to exporting when most European countries have had this legislation for many years. It would be of particular assistance to small companies in their credit dealings with major customers to ensure that accounts were paid to terms by being permitted to charge interest where slow payment occurs.

At the present time, the courts have a discretionary power to award interest on overdue commercial debts even where there is no provision for interest in the contract terms.

D. R. Jerome.
British Mercantile Agency,
12-18, Station Road,
Sidcup, Kent.

Today's Events

GENERAL

UK: *Sir Hedley Greenborough,* Confederation of British Industry president, meets Lord Carrington, Foreign Secretary.

Iron and Steel Trades Confederation and National Union of Blastfurnacemen executive committee discuss strike action in private sector.

Water workers pay talks resume.

British Gas Corporation meets unions on pay offer.

Mr. John Biffen, Chief Secretary of the Treasury, speaks at Cockfield, Suffolk.

Mr. Mark Carlisle, Education Secretary, speaks at Burton-on-Trent, Staffs.

Mr. Norman St. John Stevas, Leader of the House of Commons, speaks at Longford, Middlesex.

Post Office and unions meet on industrial democracy.

Prince Charles visits General and Municipal Workers Union headquarters, Esher, Surrey.

Sir Peter Gadsden, Lord Mayor of London, lunches with the *Master and Officers of the* Upholders' Company, Savoy Hotel.

Exhibition of Valentines at Stanley Gibbons Gallery, Strand, (until February 29).

Overseas: West European Olympic Associations discuss President Carter's Olympic boycott call, Frankfurt.

Victoria Falls road bridge between Rhodesia and Zambia reopens after seven years' closure.

International Boat Show opens, Vancouver (until February 10).

PARLIAMENTARY BUSINESS

House of Commons: Private *Members' motions.*

COMPANY MEETINGS

Cardiff Malting, Angel Hotel, Cardiff, 12. Central Manufacturing and Trading, Midland Hotel, Birmingham, 12. Flexello Castors and Wheels, The Excelsior Hotel, *Bath Road, West Drayton, Middx.,* 12. Vaux Breweries, The Seaburn Hotel, Sunderland, 12.

COMPANY RESULTS

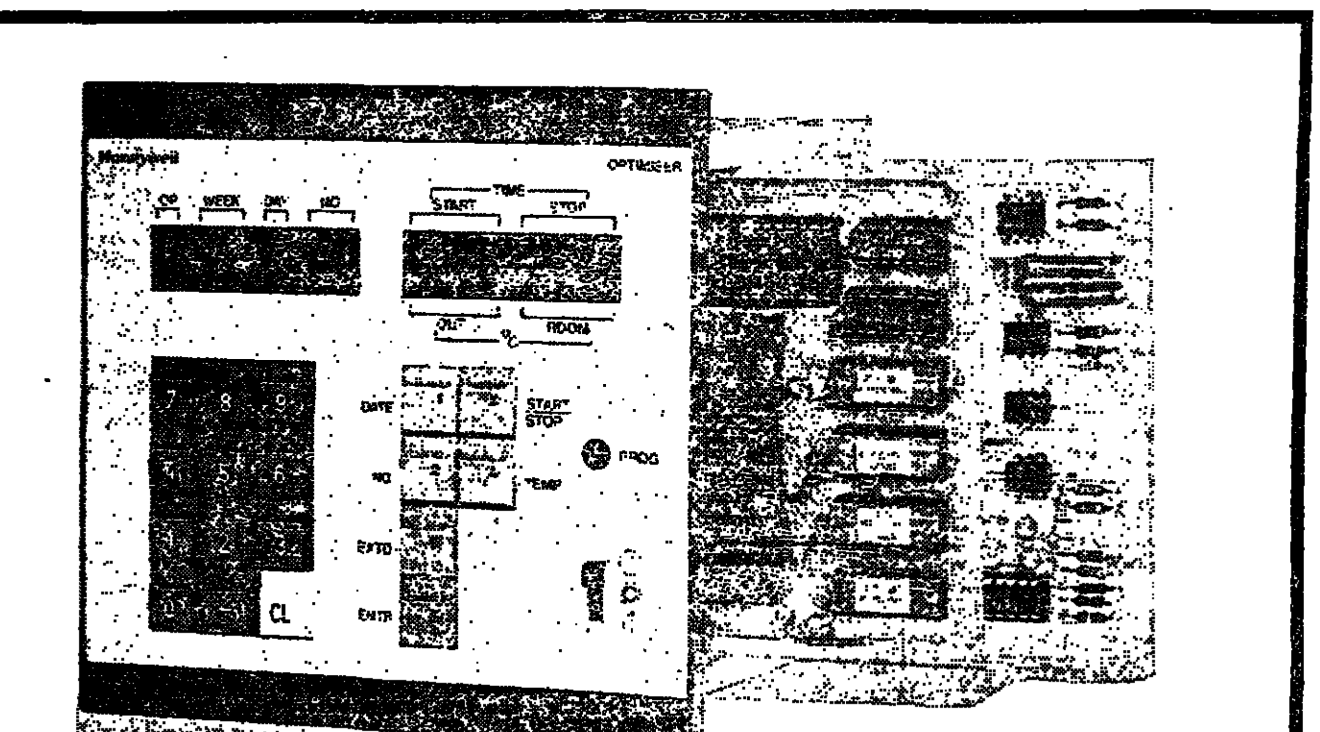
Final dividends: Evode Holdings. **Interim dividends:** Rowland Gaunt. M. L. Holdings. Wholesale Fittings. **Interim figures:** Town and City Properties.

LUNCHTIME MUSIC, London

Organ recital by Michael Howard, St. Paul's Cathedral, 12.30.

Violin recital by Detlaf Hahn, Guildhall School of Music and Drama, 1.10.

Trombone recital by Paul Nieman, St. Martin-within-Ludgate, 1.15.



Blundell passes £2m mark and pays 4.8p

FOLLOWING the directors' mid-year expectations of a further increase, pre-tax profits of Blundell-Permoglaze Holdings, the paintmaking group, rose from £1.78m to £2.19m in the 12 months to October 31, 1979. At the half-way stage, the surplus was £689,217 compared to £603,436.

Another satisfactory result is anticipated for the current year, says the chairman, Mr. N. G. Bassett Smith. Regarding the steel strike, he remarks that the group's tin container stocks and the position of its suppliers suggest no real difficulties until perhaps the end of March, provided there is no major adverse development in the situation.

A final of 3.6p lifts the dividend for the year to 4.8p — last year's total was 3.6p including a special payment of 0.38p following the lifting of controls.

Turnover went ahead from £18.95m to £20.76m, and tax is lower at £694,898 (£813,492). Last year, there were minorities' profits of £14,161 and an extraordinary credit of £138,675, but there are none this time, and net profits have risen from £1.09m to £1.49m.

Stated earnings per 25p share are 23.4p, compared with 14.9p excluding the extraordinary credit. Dividends absorb £305,734 (£229,295).

● comment

The strength of sterling and rises of around a quarter in prices of raw materials, notably naphtha and titanium dioxide, have not impeded profits growth at Blundell-Permoglaze. Margins have bene held abroad and improved at home, so the group has clearly managed to pass the rises on to its trade customers. Blundell is slowly expanding its market shares (volume sales were up around 2 per cent last year against a stagnant industry trend) and the balance sheet is strong, but this is hardly a growth stock. The only exciting area is building chemicals, which is still small and loss-making but is developing a new product with significant sales potential in the UK and Europe. This alone, however, is insufficient to warrant a more demanding p/e than the 4.1 offered on published earnings by yesterday's share price of 100p. The dividend has been increased by a third and is covered almost five times on historic earnings, to produce a yield of 7.1 per cent.

HIGHLIGHTS

Lex examines the deal in which Vaux has sold its Lorimer brewery in Edinburgh and 214 pubs in Scotland to Allied Breweries. Allied issued 29m shares to Vaux which went through the market by way of a vendor placing to realise £20.9m. The column also anticipates the reporting season for the high street clearing banks and ponders their vulnerability to an interest rate fall this year. Elsewhere, the stake in London Sumatra held by Harrisons and Crosfield has crept up to 45.9 per cent, "W" Ribbons has sold its loss-making West German seat-belt subsidiary, profits from paint group, Blundell Permoglaze have improved, but annual profits from Hill and Smith have declined by over 16 per cent.

Textured Jersey expansion

TAXABLE PROFITS of Textured Jersey rose from £264,000 to £343,000 in the half-year to October 31, 1979, on increased turnover of £4.62m, against £4.21m.

The directors of the jersey knitted fabric manufacturer expect sales and profitability to exceed last year's level, when the pre-tax surplus reached £673,000.

The net interim dividend is raised from 1p to 1.5p — last year's total was 3p.

Tax for the half year took £126,000, against £88,000.

Pre-tax profits were struck after depreciation of £120,000 (£129,000).

Reardon improves and sees return to profits

FIRST HALF loss was cut from £1.77m to £1.01m at Reardon Smith Line and the directors hold out the possibility of the company showing a profit, after depreciation, in the second six months of the current year.

Because of forward commitments the group, which has been in loss for the past three years, was not able to take full advantage of the rise in freight rate levels during the half year to the end of September 1979.

Turnover for the half-year was up at £11.22m, against £10.39m, but trading profit slumped to £595,000 (£1.06m). However, the sale of a ship produced £187,000 this time and investment income rose to £177,000 (£74,000).

Interest costs were down from £1.41m to £1.05m and the depreciation provision £712,000 lower at £797,000 but there was an exchange loss of £120,000 (gain £13,000).

The results reflect the weakness of the dollar, increases in bunker costs, port charges, storing and in general running costs, the company says.

Forecasting a considerable improvement for the second half the directors say that, if there is no material change in their assumptions, the group should show a profit after depreciation for that period.

For 1978-79 the pre-tax loss was £2.06m after a £0.29m deficit in the second six months.

Full benefit of the restructuring of assets over the past few years is now beginning to show a more stabilised position, and the Board says it can confidently look forward to the future with further development in Reardon's activities.

Secured lenders have agreed to a further deferment of loan capital repayments until the end of 1980. Repayments will be resumed in 1981.

In the meantime the company, has agreed to continue to pay only total dividend. Therefore, again there is no interim payment.

Operating cash flow has been enhanced by the sale of the group's rig, because the rate of loan repayments on it were higher than the rate of depreciation and the fact that interest costs had increased since 1978.

● comment

Although still in the red, Reardon Smith's future looks much brighter now that freight rates are showing an upward trend and the Department of Trade has agreed to a further deferment of loan stock repayments. Cash flow has also improved since the disposal of the last oil rig, leaving the group with outstanding shipbuilding loans of around £16m. Although shareholders have had to forgo dividends (only token payments were made) for two years and the fleet has been decimated, the important point is that the company has survived. It would now seem that dividends will resume in 1981 at the earliest. Unfavourable currency movements and rising costs remain a headache, but the prospect of profits in the second half suggests that the group could very nearly break even over the year. Both the ordinary and "A" shares are unchanged at 87p and 70p respectively, giving a market capitalisation of £6.4m.

NEW SYLHET

The status, for tax purposes, of New Sylhet Holdings has been changed to "close company."

DIVIDENDS ANNOUNCED

	Current payment	Date of payment	Corresponding div.	Total for year	Total last year
Asley Industrial ......int.	1.2	April 8	1	—	2.3
Bank Leumi (UK)	5.77	March 27	5.52	8.57	8.2
Blundell-Permoglaze Hldgs.	3.6	April 1	2.06	4.8	3.6§
Garford-Lilley ....int.	0.25‡	March 19	0.18	—	1
Hill and Smith	2.5	March 24	2.25	3.5	3
IoM Steam Packet	15**	—	11½*††	15	11½*††
Longton Ind. Hldgs. int.	1.4	March 28	1.25	—	5‖
Lonsdale Universal	3.5	April 3	2.8*	5.17	4.14*
Louis Newmark ......int.	3.5	March 19	3	—	9
Ruo Estates	4.5	March 7	7	4.5	9
Stoddard Hldgs. ......int.	0.56	April 8	0.53	—	1.39
Textured Jersey ......int.	1.5	April 1	1	—	3
Warren Plantation ...int.	3	April 2	2.35	—‖	8.25

Dividends shown pence per share net except where otherwise stated.

* Equivalent after allowing for scrip issue. † On capital increased by rights and/or acquisition issues. ‡ To reduce disparity. No increase in final implied. § Including special payment of 0.38p. ¶ Forecast 6.5p final. ‖ Including 0.5p anniversary payment. ** Gross throughout. Includes 4p bonus. †† Includes 1½p bonus.

Second half rise at Hill & Smith

SECOND HALF profits of Hill and Smith, the steel and engineering group, show the expected increase over the £309,987 achieved in the first six months, although the year's total of £880,138 still falls short of the £1.05m in the previous year.

The directors say first half results — down from £451,829 — were affected by the transport strike and the second six months suffered from the engineering dispute. Trading in the first four months of the current year has been better, they add.

Stated earnings per share are 14.23p against 17.04p but a final dividend of 2.5p lifts the total from 3p to 3.5p. A one-for-10 scrip issue is also proposed. Dividends absorb £174,800 (£144,294) after £41,704 (£35,480) waivers by certain directors and their familities.

Turnover for the year amounted to £16.07m compared with £14.33m. There is no tax charge as the full liability will be erased by stock appreciation relief and accelerated capital allowances.

Non-recurring losses involved in the closure of two companies in the contracting division, amounting to £179,531 have been treated as an exceptional item.

Subject to an early end to the steel strike with no major disruptions, the directors are confident of resuming the pattern of annual profit growth this year.

● comment

The drop in pre-tax earnings at Hill and Smith was almost inevitable but the gloom throughout the engineering sector had been just a trifle too general and the shares climbed 6½p yesterday to 50½p. Hill and Smith has experienced steady profits growth since it went public in 1969 and should resume such progress in the current year. Last year's earnings were dampened by the road haulage strike in the first half and by the engineering dispute in the latter six months. The cost of these two strikes may have come to about £250,000. But the group entered the steel strike with three-four months of stock, a situation which has been beneficial so far. If the steel strike extends more than another month, though, the pinch will be felt. The dividend, as earlier predicted, has been raised to 3.5p, where it yields over 10 per cent and is covered four times. The p/e on stated earnings is 3.4.

Portsmouth Sunderland well up

WITH third-quarter profits improving from £0.93m to £1.3m, the taxable surplus of Portsmouth and Sunderland Newspapers advanced to £3.13m in the 39 weeks to December 29, 1979, compared with £2.23m last time.

Turnover increased from £10.83m to £14.08m. After tax of £1.6m (£1.14m), stated earnings per 25p share are up from 9p to 12.7p. Attributable profit came through higher at £1.53m, against £1.09m.

On a CCA basis, the attributable balance would have been £725,000 (£830,000), and stated earnings, 6p (6.8p).

Historic pre-tax profits reached a record £2.88m for the 1978/79 year.

Gilgate accounts come in for heavy qualification

Gilgate Holdings, the property and insurance group which is the subject of a major Department of Trade investigation and has been studied by the Take-over Panel, yesterday published its report and accounts for the year to June 30, 1978.

The report of the new auditors, Blair Saunders, which accompanies the accounts, runs to two full pages and contains 11 points of qualification. As a result, the auditors say, they "are unable to form an opinion whether the accounts give a true and fair view" of the company.

The auditors' report, which is dated July 26, 1979, covers a number of transactions in which directors have personal interests. It also discusses potential liabilities arising from winding up petitions b· Department of Trade for a number of subsidiaries.

In addition, the auditors have been unable to obtain "satisfactory independent corroborative evidence" of the directors' valuation of group properties said by the directors to be worth £1.1m. They are also unsure whether further provisions should be made against investments in and debts due from subsidiaries which are shown at a book value of £1.04m.

Mr. John Duncan Kidd, the chairman, comments briefly on the auditors' qualifications in his statement. He also apologises for the delay in preparing the accounts for 1979. In part this is due, he says, to the fact that the company is "strenuously" contesting the winding up petitions from the Department of Trade.

Mr. Kidd does not refer to the fact that last May the Take-over Panel concluded that "persons acting in concert have incurred an obligation" to make a bid for Gilgate at 8.75p but that the persons "principally concerned" had told the Panel they "do not accept that conclusion."

The accounts do reveal that 36 per cent of Gilgate's shares are owned by three related companies, Highdash, Growth and Secured Life Assurance and National Investors Life Assurance, together with Mr. M. W. Pote.

Mr. Kidd, Mr. David James and Mr. Christopher Reynolds, all directors of Gilgate, have interests in companies which in turn control the three companies concerned.

Two of the companies, Growth and Secured and National Investors, together with Mr. Reynolds, were recently found guilty at Maidenhead Magistrates' Court of making loans to Gilgate, a connected company, contrary to the insurance companies acts. They are to appeal against the convictions.

In a separate pending case in the High Court, the Department of Trade is seeking to have Mr. Kidd, Mr. Reynolds and Mr. Lucas barred as directors.

Meanwhile the board has called the annual meeting for February 22 at the Connaught Rooms, London, WC2, for 12 noon. Among the resolutions are those to re-appoint Mr. Lucas and Mr. J. G. Bizley who retire by rotation.

Shareholders will be asked to accept the 1978 accounts which reveal pre-tax losses of £135,000 compared with a profit of £10,000 the previous year, on turnover up from £850,000 to £1.46m. After tax and extraordinary credits, atributable losses were £56,000.

A transfer to capital reserves of £75,000 increased retained losses to £131,000 which were Mr. Kidd says that, in view transferred to revenue reserves. of the various matters relating to the 1979 figures still outstanding, "it is difficult to forecast the effect on the profitability or otherwise on the company during the year to June 30, 1980."

Newmark passes £1m at halfway

PRE-TAX profits of £1.11m against £983,000 are reported by Louis Newmark, electronic and precision engineer and watch distributor, for the six months to September 29, 1979.

Stated earnings per 25p share are 17.4p against 15.4p and the directors are declaring an interim dividend of 3.5p (3p)—last year's total was 9p from pre-tax profits of £1.98m.

Tax for the first half was £577,000 against £511,000. No allowance has been made in respect of stock appreciation and excess capital allowances. Depreciation charged amounted to £227,000 (£192,000).

Mr. G. L. Newmark, the chairman, says that results for the first three months of the current year have been satisfactory, and were it not for the current national industrial unrest, the Board would have been forecasting substantially increased profits in line with inflation.

Bank Leumi progress to £340,000

With further progress in its business, particularly in deposits, loans and advances and the number of accounts, Bank Leumi (UK) lifted profits by £77,678 to £340,030 in 1979. The result is shown after tax and transfer to inner reserves.

The directors of the bank, which is a subsidiary of Bank Leumi Le-Israel BM, point out that the profits reflect the general progress although the bank did not have the benefit of increased capital from its one-for-two rights issue until September.

A 5.768p net final dividend raises the total to 8.568p (8.2p) per £1 share, which absorbs £229,040 (£164,000). Retained profit emerged higher at £110,990 (£98,352).

At year end capital and reserves stood at £5.63m (£4.44m) and subordinated loans amounted to £3m (£2m). Also current, deposit and other accounts had reached £161m (£139m) and total assets £181m (£158m).

The new branch opened at Gants Hill, Ilford, this year has made a good start, the directors say.

CHILD HEALTH RESEARCH

Child Health Research Investment Trust announces that subscription lists for the ordinary shares being offered will open on February 5, not February 10 as previously announced.

FNFC still owes £226m on loans from support group

DURING the current year, First National Finance Corporation has been able to remit a total of £56.6m to the support group which, after allowing for the impact of interest, has enabled the group to reduce the net amount borrowed by £24.96m, Mr. J. P. Glyn, chairman, tells shareholders.

"However, this still leaves the large sum of £226.43m outstanding," the chairman says.

As reported on January 11, the group reported a pre-tax profit after provisions of £21.63m against £17.86m and a net profit of £20.38m (£17.72m). The net profit has reduced the net deficiency for shareholders to £37.98m and the solvency margin has increased to £33.54m.

The property market generally was very active and enabled the group to dispose of a considerable amount of the portfolio and further reduce liabilities, the chairman says.

The group has also been able to meet all the current interest due on the income and deferred loans and also the cumulative arrears on the deferred loans so that interest payments are up to date.

1 The unpaid interest on the subordinated loan stocks now amounts to £6.28m and this only qualifies for payment when the criteria laid down in the reorganisation scheme are met.

Because of high interest rates, it has been considered prudent in the lending and property division to take account of an additional future cost of £1.2m in arriving at the net release in the year of principal provisions and suspended interest of £8.28m.

After allowing for remaining net expenditure, pre-tax profit of this division amounted to £12.36m.

A circular is being sent to loan stockholders giving details of a proposed restructure of the consumer credit division and holders' approval will be sought at meeting after the AGM.

The group balance sheet shows current liabilities of £197.7m (£207.3m) including support group direct loans to the consumer credit division of £101.32m (£98.22m) and support group's income loans of £75.1m (£91.2m).

Current assets of £218.97m (£222.59m) include loans, advances and other accounts of £186.6m (£201.81m) and proerties held and in course of development, £20.91m (£11.39m).

Touche Ross and Co., the group's auditors have again qualified the accounts, referring to the uncertainty in regard to the group's future as a going concern and the uncertainties relating to the amounts stated in the accounts for loans, property assets and related tax.

Meeting, Winchester House, EC, February 26 at 2.30 pm.

SINGLO PREF. CONVERSION

As a result of the conversion on January 30 of the outstanding balance of the 10 per cent cumulative convertible preference shares, the total issued ordinary capital in Singlo Holdings is now £1.92m, comprising 19.17m ordinary shares of 10p each.

MIDDLE WITWATERSRAND (WESTERN AREAS) LIMITED

(Incorporated in the Republic of South Africa)

Interim Report for the Half-Year ended 31 December 1979

FINANCIAL RESULTS

The unaudited estimated consolidated financial results of the Company and its subsidiaries for the above period are as follows:

Year ended 30 June 1979 R000		Half-years ended 31 December 1979 R000	1978 R000
8 852	Turnover	5 926	2 899
7 253	Profit before taxation	4 714	2 442
7	Taxation	238	—
7 246	Profit after taxation	4 476	2 442
10	Attributable to outside shareholders of subsidiaries	10	4
7 236		4 466	2 438
109	Preference dividends	55	55
7 127	Profit attributable to ordinary shareholders	4 411	2 383
	Earnings per ordinary share:		
73.7 cents	— including profit on realisation of investments	45,6 cents	24,6 cents
56.3 cents	— excluding profit on realisation of investments	39,9 cents	20,0 cents

DIVIDENDS PAID OR DECLARED DURING THE HALF-YEAR

Preference dividend No. 15 amounting to R55 000 (1978—R55 000) was paid for the half-year on the 8 per cent Redeemable Cumulative Preference shares.

Final ordinary dividend No. 51 of 22,5 cents per share amounting to R2 177 000 for the year ended 30 June 1979 (1978—15 cents—R1 451 000) was declared in June and paid during the half-year.

Interim ordinary dividends No. 52 and 53 of 6 cents and 14 cents per share respectively totalling R1 935 000 (1978—12.5 cents—R 1 548 000) were declared in December 1979 payable in February 1980. The declaration was split in order to avoid any liability for undistributed profits tax.

INVESTMENTS

The market value of the listed investments of the Company and its subsidiaries at 31 December 1979 was R125 799 000 (1978—R58 062 000) compared with a book value of R18 264 000 (1978—R17 341 000). The book value of the unlisted investments of the Company and its subsidiaries at 31 December 1979 was R7 806 000 (1978—R9 032 000).

For and on behalf of the Board
Basil E. Hersov
W. F. Thomas
Directors

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Johannesburg 2001

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Anglo-Transvaal Trustees Limited,
295 Regent Street,
London W1R 8ST

31 January 1980

B·A·T Industries

Second Interim Report: Twelve Months to 30 September 1979

Group Results (unaudited)

Twelve Months to:	30.9.79 £ millions	30.9.78 £ millions	Change
Turnover	6,672	6,676	—
Trading profit	446	438	+2%
Investment income	56	61	−8%
Operating profit	502	499	+1%
Interest paid	74	66	+12%
Profit before taxation	428	433	−1%
Taxation	184	189	−3%
Profit after taxation	244	244	—
Minority interest	24	25	−4%
Net profit attributable to B.A.T Industries Ltd.	220	219	—

Analyses by Industry

Turnover			
Tobacco	3,975	4,474	−11%
Retail	1,559	1,412	+10%
Paper	661	497	+33%
Printing & Packaging	176	153	+15%
Other activities	301	140	+115%
	6,672	6,676	—

Operating profit			
Tobacco..	316	350	−10%
Retail	34	24	+42%
Paper	81	49	+65%
Printing & Packaging	14	12	+17%
Other activities	57	64	−11%
	502	499	+1%

Taxation comprises:		
Net U.K. corporation tax	27	29
Overseas taxation	157	159
	184	188
Deferred taxation	—	1
	184	189
Total taxation as a proportion of profit before taxation	43.0%	43.6%

Change of Year End

As already announced the Group's year end has been changed to 31 December. This unaudited interim report therefore covers the twelve month period to 30 September 1979 and the next audited accounts will be for the fifteen month period to 31 December 1979.

Dividends

The Directors today decided to pay on 1 April 1980 a third interim dividend out of the profit for the twelve months to 30 September 1979 at the rate of 6.50p per share on the Ordinary Shares together with a special interim dividend at the rate of 5p per share out of the profit for the three months to 31 December 1979 payable on the Ordinary and the Deferred Ordinary Shares.

To maintain the rights of both the Ordinary and the Deferred Ordinary Shareholders the third interim dividend and the special dividend referred to above have been declared in lieu of a final dividend for the fifteen month period to 31 December 1979.

The Deferred Ordinary Shares will automatically be converted to Ordinary Shares on 20 June 1980, the date of the Annual General Meeting.

Transfers received in order by the Registrar of the Company up to 29 February 1980 will be in time to be passed for payment of the third and special interim dividends.

The three interim dividends in respect of the twelve months to 30 September 1979 represent an increase of 19.4% over the comparable dividends of the previous year as illustrated below:

Dividends per 25p Ordinary Share	1979	1978	Increase
1st interim dividend paid 2 April 1979	4.84p	4.40p	+10%
2nd interim dividend paid 1 October 1979	6.00p	5.00p	+20%
3rd interim dividend payable 1 April 1980	6.50p		+27%
Final dividend 1978	—	5.12p	
	17.34p	14.52p	+19%
Special interim dividend payable 1 April 1980 (payable also in respect of 25p Deferred Ordinary Shares)	5.00p		
Total dividends for 15 months to 31 December 1979	22.34p		

Impact of Exchange Rates

The results of overseas subsidiaries have been translated into sterling for the purpose of this report at rates of exchange ruling on 31 December 1979. Comparative figures have been translated at rates ruling on 30 September 1978. Over the intervening period sterling strengthened against most currencies with a consequent adverse effect on the sterling figures now reported.

This adverse effect is estimated to have reduced turnover by £500 million, operating profit by £48 million and net profit attributable to B.A.T Industries by £24 million. These estimated figures do not include the devaluations of the Brazilian Cruzeiro and the Argentine Peso against the U.S. dollar as such devaluations broadly represented the relative decline of the purchasing power of these currencies.

In other words, had currency results been translated into sterling at the rates of exchange ruling at 30 September 1978, except in regard to the two currencies referred to above, turnover would have been shown to have risen by 7%, operating profit by 10% and attributable profit by 11% on the previous year.

UK COMPANY NEWS

REPORTS TO MEETINGS

Borthwick criticised over compensation payment

BY REG VAUGHAN

THE BOARD of Thomas Borthwick and Sons was criticised at yesterday's annual meeting over the payment of £88,000 compensation to Mr. David Burditt, former managing director, who resigned from the Board last September, over policy differences.

At a packed meeting, complaints were made about the size of the payment to Mr. Burditt, who had served on the Board for only two years. A holder said he felt it reflected very badly on the chairman and on the Board that this situation had come about.

Dr. Bill Bullen, the chairman, explained that legal advice had been taken over the payment, which had been arrived at on the basis of Mr. Burditt's service agreement.

Dr. Bullen reported that group results were ahead of target in the first quarter of the current year. In the main-stream meat business there were no unexpected features, while in the retail butchers' operations in France and England "encouraging results continued."

With the purchase of the Williams retail butchers chain from Booker McConnell—which the chairman described as a good buy — the Matthews (Butchers) offshoot now had 230 shops in the UK.

For the group as a whole, the chairman said there was every indication that the current year's results would be satisfactory.

Concern was expressed by one shareholder over the position of Freshbake. She wanted to know if the group had considered disposing of this subsidiary, which had made heavy losses. Dr. Bullen said Freshbake had been operating in very difficult markets but there had been a big improvement and the company was now breaking even.

Dr. Bullen said later that the British and French retailing chains were moving ahead strongly. He estimated that the retailing side of the business would increase its profit contribution to around 50 per cent of the group total in the current year, compared with 20 per cent in 1978-79. He expected this percentage to increase further in the future.

The chairman said the group planned to maintain its main meat business but it aimed to build up a strong retailing base to counteract the cyclical nature of meat.

The group was about to complete the acquisition of the James Blue Group, which operates 17 retail butchers shops in north-west London, and the chairman revealed that the group was in talks with another retail concern.

Dr. Bullen said the plan to established a joint venture company in New Zealand was progressing very well. He expected this venture, which involved a regrouping of slaughtering and processing facilities, to contribute very significantly to group profits. It would also enable borrowings to be reduced.

BROCKHOUSE

Profits of **Brockhouse** were lagging behind this time last year and would continue to do so until the group and its customers could get back to normal, said Mr. R. J. H. Parkes, chairman.

The current year had started with the engineers' strike and its effects continued through October and November. Some improvement started to come through in December and January but then the group was faced with a steel strike.

Even when the steel strike was settled, he added, the "knock-on" effect would be felt for some time.

Naturally, orders on hand in the steel division were down. But in value terms, the overall order book was in advance of this time last year.

He said that, given a similar level of activity to last year, the directors estimated that the energy bill would increase by some £400,000 this year. Current interest rates would increase costs by about the same amount.

Overseas companies were performing very well, particularly in North America. The group had strong order books and the chairman was confident the year would show further progress.

He added that negotiations were continuing with the appropriate ministry in Iran over escalation payments due to the group on its grain silo contract. The outcome was uncertain.

MATT. BROWN

The performance of **Matthew Brown and Co.** so far this financial year was satisfactory, although very slightly less beer had been sold than in the same period last year, Mr. C. J. Ainscough, chairman reported.

Recent beer price rises had restored margins. But increasing sales costs and competition were expected to restrict hoped-for profit improvements, both at the half-way stage and at the year-end, to more modest proportions than last time.

RHM GROWTH

The current half-year to March should show considerably improved profits over the corresponding period last year, Mr. Joseph Rank, chairman of **Ranks Hovis McDougall**, told shareholders. But he cautioned that the improvement was subject to "no unforeseen problems" occurring. Interim pre-tax profits totalled £14.4m last time.

The year to September 1979 had been difficult owing to "strikes and government legislation," said Mr. Rank, and he welcomed the demise of the Price Commission and the "favourable" policies of the present Government.

Replying to questions about RHM's Wessex Finance Corporation subsidiary, Mr. R. G. Rogerson, finance director, agreed that its profits had been "disappointing." Wessex made £64,000 last year, against £611,000.

In view of the continuing difficult climate for finance companies, Mr. Rank said, "if we were thinking of disposal (of Wessex), now would hardly be the time to be doing it."

HAYS WHARF

Sir David Burnett, chairman of the **Proprietors of Hay's Wharf**, reported that the favourable trading conditions experienced in the second half of last year had continued into the first quarter of the current period and, despite losses in Belgium, profits were in excess of those of last year.

Results from the Belgium-based companies remain unsatisfactory and their future was receiving the close attention of the Board.

He said shareholders may have noticed a recent reference in the Press to the purchase by English Property Corporation of about 2¼ acres of land from Renslade Investments (London). This land, he added, was originally assembled by Renslade in accordance with an agreement with Hay's Wharf (now expired) and represented an important part of the land in the Tooley Street area not owned by Hay's Wharf.

Discussions relating to the future of this area were continuing with English Property Corporation in place of Renslade.

Second half downturn hits Lonsdale Universal

A REVERSAL in the second half depressed taxable profit at **Lonsdale Universal** from a peak £1.62m to £1.45m for the year to September 30, 1979. All divisions reported narrower trading margins although the two major activities of office equipment and stationery and printing achieved record profits.

Midterm the group surplus has been ahead almost £100,000 to £840,000 and the company said that while there was some uncertainty in parts of its trading areas, it expected to maintain current trends for the full year.

The decision to withdraw from departmental store retailing is reflected in lower sales by the stores side with one store being closed during the year.

Current negotiations for sale of the group's remaining stores are likely to be completed over the next three months. This should release more than £1m towards reduction of borrowings.

Though current national conditions are beginning to affect an otherwise satisfactory start to the new trading period, Lonsdale expects to maintain trading progress in 1979/80 and to benefit from the lower borrowing. For 1978/79 interest costs jumped from £562,000 to £949,000.

After tax, little changed at £364,000 (£373,000); stated earnings per 25p share for the year were down 1.92p at 11.9p. The net total dividend is effectively stepped up to 5.1729p (4.1383p) by a 3.5029p final.

Group sales were £6.62m higher at £36.71m, and the surplus was struck after management costs of £127,000 (£115,000) and £316,000 (£302,000) depreciation.

Attributable profit came out at £979,000 (£1.11m) after £111,000 (£139,000) extraordinary debits.

Comparatives have been adjusted.

The bookselling sector did well overseas during the year but UK profits were lower due to less public library spending and some dislocation from a move to larger premises, the directors add.

● comment

While Lonsdale sees continued buoyancy in most of its major markets and expects recent expansion to start bearing fruit, 1980 can probably be regarded as a year of consolidation. In gearing terms, at least, a pause for breath will be welcome. The sale of the remaining elements of the department store retailing chain, probably within the next three months, will realise approximately book value or between £1m and £1.5m and the proceeds will be applied to overdraft reduction. Gearing exceeded 70 per cent at the balance sheet date. The squeeze on margins, principally responsible for the 10 per cent reduction in pre-tax profits, has not apparently worsened in the current year and with lower interests costs in the second half of the current year Lonsdale should be in a position to resume growth. The dividend should thus be in no particular danger although, if a yield of 13.6 per cent looks somewhat over-defensive at 58p, a fully taxed historic p/e of 7 is about right.

Hensher ahead in first half

IN LINE with the year-end forecast, pre-tax profits of **Hensher (Furniture Trades)** rose slightly from 341,863 to £394,879 in the six months to September 30, 1979.

The surplus is struck after investment income and interest receivable of £56,540 (£32,319), associates' profits, including profits from joint ventures with non-associated companies, of £65,048 (£9,992) and net receivable rents of £69,827 (£44,026).

Turnover was virtually static at £2.94m (£2.86m) and after tax of £205,500 (£178,000), stated earnings per 10p share are 3.9p (3.4p).

A single dividend of 2.5p net was paid last year on total pre-tax profits of £880,833 (£610,550).

Similar year at Warren Plants

ALTHOUGH FIRST-HALF 1979 taxable profits were well down at £0.74m, against £1.72m, the directors of **Warren Plantation Holdings** say the shortfall has been recovered in the second six months. Despite the strength of the pound which has reduced rseults in sterling terms, management accounts say that full-year profits were similar to the previous year's £5.8m.

Turnover for the half-year improved from £11.78m to £12.32m—interim results have been produced for the first time in line with the group's continued expansion and development.

The net interim dividend is stepped up by 28 per cent from 2.345p to 3p per 25p share and the directors anticipate recommending a final of 6.5p (5.905p).

The principal change in subsidiaries' results during the period was the poor performance from India, caused by very low tea production due to drought and lower profit on sales of tea stocks brought forward at the beginning of the year.

However, there were improvements in the UK and Indonesia showing the benefits of the diversification policy. In the UK, the first time inclusion of Joseph Mason helped to offset other increasing expenses, while in Indonesia higher revenue, arising to some extent from the 1978 devaluation, resulted in a substantially improved contribution.

With half-yearly operating profits of Joseph Mason up from £325,000 to £518,000, the problems of the harsh winter and the engineering strike in the first quarter's trading were overcome satisfactorily. The advance has continued in the following six months and the directors have sanctioned the commissioning of a new 10-tonne plant to increase resin production at Derby.

Associates' contribution fell from £0.62m to £0.35m due to the performance in Kenya, where prices and crops were below previous levels.

Tax charge for the six months was £0.34m (£0.99m) and after minorities, attributable profits decreased from £0.66m to £0.41m.

For 1979, the company's tea crop in Upper Assam was down some 10 per cent on last time due to the severe drought suffered in the early part of the year. In other tea areas, crops were similar to 1978. The directors say prices have been disappointing but have improved recently, and the group's concentration on medium and high-quality tea production means that the outlook is encouraging.

There was a material increase in its 1979 coffee crop although weather conditions during the year were not entirely satisfactory. The world price for this commodity remained firm during the year.

Despite the continued replanting programmes only a small rubber crop reduction was experienced, which was more than offset by an encouraging increase in oil palm fruit. World prices of these two commodities continue to provide the group with healthy profit margins.

A share option scheme for senior executives is to be proposed at an EGM on February 18.

Tate and Lyle still cautious

IN his report to **Tate and Lyle** shareholders, Lord Jellicoe, chairman, says the board is committed to pursuing vigorously programmes of action to restore the group to a more satisfactory level of profitability.

But he again warns shareholders not to expect any material improvement in overall performance in the near future.

It must also be kept in mind that the current year has started with a further surge in the cost of money and energy "and with a particularly turbulent international political scene," Lord Jellicoe states.

Much will also hinge on other factors largely outside the group's control. In particular, the profitability of UK sugar refining depends on the terms of the new EEC sugar regime.

The chairman says that in general the group welcomes the EEC proposals and if implemented, these proposals should open the way for the EEC to join the International Sugar Agreement "and curb the Community's wasteful and costly over-production of beet sugar."

The level of beet quota reductions which has been recommended is, in the board's view, realistic and will allow refined cane sugar to compete on fairer terms, the chairman adds.

For the year ended September 30, 1979, the group reported pre-tax profits of £26.2m, against £24.6m, but the rise owed much to the inclusion of exceptional credits of £5.9m (£1.8m debit). The higher interest rates in 1979 will continue to affect the group in the current year.

The proceeds from asset disposals and a much closer control of working capital have enabled capital expenditure of £25m to be financed from internal resources. At the year-end net group borrowings were £98m against £115m a year earlier—however, some increase is likely in 1980.

CCA profit is reduced to £6.4m after adjustments including cost of sales, £8.6m, additional depreciation, £9.1m and gearing, £5.5m. There is a net loss of £5.2m after tax of £11.6m.

The accounts also show a £50,000 payment to a former director. The group contributed £15,275 to the Conservative Party and £97,143 to UK charities.

Meeting, Europa Hotel, W, February 28 at 11.30 am.

Armour up to £253,000 midway

PRE-TAX profits of **Armour Trust**, industrial holding company, improved by £24,000 to £241,000 in the six months to October 31, 1979 from turnover higher at £4.31m against £3.89m. Profit attributable increased from £215,000 to £253,000. There was again no tax charge.

No interim dividend is payable and the board believes that in current circumstances it is prudent to continue to build up reserves. A higher final dividend — last year's final was 0.1p — will be recommended.

Mr. C. R. Lambourne, the chairman, says the company's profitability continues to improve and the Carter Penguin offshoot traded satisfactorily during the six months. A modest increase in its profits for the year is anticipated despite the competitiveness in the confectionery industry.

An agreement between Telesure and Distributors Finance was signed in September and its benefits to the group will accrue in the future.

Pre-tax profits for the last full year amounted to £373,000 from turnover of £7.5m.

BAT subsidiaries report

TWO SUBSIDIARIES of **BAT Industries** have reported results for the 12 months to September 29, 1979. At **International Stores** there was a £5m turnround to a profit of £120,000 at the trading level, while **Wiggins Teape Group** pre-tax profits rose by some £10m.

Taxable losses of International Stores deepened from £1.05m to £2.21m, after interest of £4.26m (£3.5m) and net surplus on rationalisation transactions of £1.93m (£7.79m).

At midway, there was a turnround from a £3.45m profit to a £2.15m loss.

Twelve months' turnover improved from £543.15m to £671.76m. After tax credits of £0.47m (£5.84m), there was a net loss of £1.74m, compared with a profit of £4.79m.

The figures include a £2.2m loss on the wholesale division, which was sold on December 29, 1979.

Wiggins Teape Group, paper-maker, pushed up taxable profits from £33.77m to £44.43 for the period on increased turnover of £513.85m, against £461.01m.

The pre-tax surplus was struck after interest of £10.05m (£9.19m) and provision for improved pension of £1.22m (£0.66m), but includes investment income of £2.3m (£1.82m).

At the six-months stage, pre-tax profits were marginally higher at £4.76m, compared with £4.06m.

The tax charge for the period of £14.23m (£13.72m) is mainly overseas, no UK tax being payable because of relief for stock increases and capital expenditure.

Wiggins Teape, a subsidiary, turned in pre-tax profits of £8.97m (£8.32m) on turnover of £163.47m (£145.8m).

The results reported are second interim figure, the year-end having been changed to December 29, 1979.

Garford-Lilley up at midway

From increased turnover of £2.88m against £2.3m, profits of **Garford-Lilley Industries** rose £193,225 to £240,355 in the half year ended September 30, 1979, before tax of £124,985 (£100,477).

Stated earnings per share are 1.75p against 1.41p and the interim dividend is lifted from 0.175p to 0.25p—the increase is to reduce disparity and does not imply an increased total for the year, the directors say.

In 1978-79, the total dividend was 1p from record profits of £438,000. The directors say the first half results are encouraging but the engineering and steel workers' strikes must have an effect in the second half of the current year.

The plastics and woodworking divisions did well but progress may not be maintained in the second six months because of unsettled conditions particularly in consumer trade.

The board declines to give a profit forecast but hopes the steady trend of progress shown in recent years will be maintained.

IoM Steam Packet pays 4p bonus

TO MARK the 150th anniversary of the company's founding, the **Isle of Man Steam Packet Company** directors propose the payment of a 4p bonus to shareholders in addition to an increased dividend of 11p gross.

Last year the dividend was equivalent to 10p, with a 1½p bonus.

For 1979 net profits totalled £1.08m compared with £1.14m.

Depreciation accounted for £461,238 (£459,898) and tax took £169,000 (£230,000).

The dividend and bonus absorbs £337,500 (£255,000).

The company will transfer £700,000 to general reserve and the balance carried forward is £310,278 (£272,549).

SPAIN

January 31	Price %	+ or −
Banco Bilbao	209	
Banco Central	224	
Banco Exterior	211	
Banco Hispano	210	+2
Banco Ind. Cat.	135	
Banco Madrid	175	
Banco Santander	244	
Banco Urquijo	157	
Banco Vizcaya	215	
Banco Zaragoza	200	
Dragados	105	
Espanola Zinc	62	
Fecsa	56	
Gal. Preciados	37	+1
Hidrola	62.2	
Iberduero	61	+0.8
Petroleos	116	+0.5
Petroliber	73	
Sogefisa	115	
Telefonica	56	−0.2
Union Elect.	63	+0.8

Group Overview

Operating profit for the twelve months to 30 September 1979 showed only a small improvement over the same period last year, due mainly to the adverse effect of currency movements mentioned above. In local currency terms, all sectors of the group improved both turnover and profit against a difficult and deteriorating world economic background.

The effects of currency translation are most marked in tobacco, but also depress the sterling results of retail and paper and, to a lesser extent, printing and packaging.

The improvement in retailing stemmed mainly from Saks, Kohls and Gimbels.

In the paper activity, the benefit of a full year's results from Appleton accounted for over half of the improvement in this sector, but the Wiggins Teape Group also achieved profit growth significantly in advance of inflation.

In printing and packaging, Mardon Packaging, which became a subsidiary after the end of the period covered by this report, continued to improve its performance.

Despite the substantial adverse currency movements and higher interest charges, there was a small increase in the net profit attributable to B.A.T Industries.

Tobacco

Sales volume continued to increase, as also did profits in local currency terms. Adjusting for the effects of translating currency figures into sterling, operating profit would have increased by 1% compared with 1978.

In the United States, domestic sales volume suffered a small decline although export volume continued to grow. Two price increases during the year are reflected in improved dollar profits.

In Europe, Germany achieved a small increase in volume through improved exports. Profit however has been under pressure from rising costs. In the rest of Continental Europe, profit showed a small increase despite a slight decline in overall volume.

A firm foothold has now been established in the U.K. domestic market, but results have suffered from the high cost of securing market share. Export volume was higher but the strengthening of sterling and rising costs reduced export margins.

In Latin America, the Brazilian business continued to grow despite competitive activity, rising costs and accelerating inflation. Although sales moved ahead at a slower rate, market share was maintained. Profit improved in local currency terms, helped by two price increases, but suffered considerably when translated into sterling. In Argentina, the business has had a successful year and increased its contribution to Group profit. Sales in Venezuela increased substantially, but profit suffered from an increase in tobacco taxation in January, though a comparable price increase was not approved by Government until September 1979.

In Central America, the majority of companies achieved improved results despite very difficult political conditions.

In Asia, sales and profit continued to grow and the substantial increases from this region made an important contribution to Group results. Indonesia, Hong Kong and Pakistan had particularly good results. In Malaysia, sales recovered from the effects of a trade boycott earlier in the year and profit was maintained at last year's level.

In Africa, improved margins have led to a satisfactory increase in profit despite shortages of materials due to lack of foreign exchange, particularly in Nigeria during the earlier part of the year.

Retail

Adjusting for the effect of translating U.S. dollar figures into sterling, turnover would have increased by 18% and operating profit by 57% over 1978.

In the U.S., Saks continued its highly successful performance increasing its sales and earnings at a rate substantially in excess of inflation. Gimbels also had a better year with an encouraging improvement in sales and increased gross margins.

Kohl's food store volume was maintained and improved efficiency yielded higher earnings. Kohl's department stores had outstanding growth in sales and earnings.

In the U.K., the intense price competition in food retailing eased slightly. International Stores strengthened its Supermarkets division by the acquisition of MacMarkets in July 1979. This has been followed since the end of the period by the disposal of the wholesaling interests to Booker McConnell as at 29 December 1979. Profit on trading has improved during the year to 30 September 1979 without yet having fully benefited from the MacMarkets acquisition.

The Argos catalogue showroom business was acquired in May 1979 but because of its seasonal nature had little effect on the results to 30 September 1979.

Paper

Both the U.S. and Brazilian results were particularly affected by exchange factors; adjusting for these, turnover would have been £31 million higher and profit some £5 million higher.

Appleton, in the U.S., has been included for a full year which accounts for over half of the increase in profit. The performance of this business has exceeded expectations and it is maintaining its position in a strongly growing market.

In the U.K., total sales volumes of the paper manufacturing businesses showed general improvement, as also did profits despite continuing competitive pressures, including import penetration, disruption from the countrywide industrial action in February and the adverse effects of the severe winter. In particular, excellent results were achieved by fine papers division. The Fort William pulp mill continued to make losses. There was further growth in exports of Wiggins Teape products despite the adverse effects of the strengthening of sterling against major currencies.

In Europe, there were substantial increases in both sales and profits for all businesses. The Belgian based *Idem* results were particularly outstanding with sales reaching record levels. The merchanting and distribution businesses also had a successful year with increased profit.

There was general improvement in operations elsewhere in the world, including Brazil where trading was strong, although profit was adversely affected when translated into sterling.

Printing and Packaging

On 8 November 1979, the Group purchased Imperial Group's 50% interest in Mardon Packaging International for £87.8 million. For the 12 months to September 1979, MPI has continued to be treated as an associated company and therefore the turnover and profit included in this report and shown opposite comprise only the Group's 50% interest.

MPI's turnover increased by 15% whilst operating profit rose 17% in spite of adverse exchange movements. The U.K. and European operations again improved their results and the folding carton businesses in particular had a good year. Flexible packaging again achieved excellent results and the Cundell group also performed well in its second year of MPI ownership.

In Canada, results were adversely affected by a regional strike of litho printers but the graphics and forms businesses and the flexible packaging operations in the United States performed well.

Other Activities

The increase in turnover is largely due to the inclusion of the Pegulan home improvements business in Germany, which became a subsidiary during the year. Of the operating profit of £57 million Pegulan contributed £10 million and Cosmetics £6 million, the latter reflecting a continuing improvement. The remaining £41 million was mainly income from short and medium term investments.

Expectation for the 3 months to 31 December 1979

Tobacco product sales volume in the quarter to December 1979 was running slightly ahead of that of a year earlier and operating profit was being maintained despite the squeeze on margins through the continuing rise in costs.

Retailing in the U.S. had a better Christmas season than in 1978 and paper and printing and packaging maintained, in most areas of their activity, the levels of performance achieved in the first nine months of 1979 although there has been some patchiness in the U.K. reflecting the more difficult general economic environment.

Overall, it is expected that operating profit in the last quarter of 1979 will at least match that of the last quarter of 1978.

The results for the whole fifteen months to 31 December 1979 will be translated at the rates of exchange ruling at that date.

30 January 1980

B·A·T Industries Limited · Windsor House · 50 Victoria Street · London SW1H 0NL

LONGTON

INDUSTRIAL HOLDINGS LIMITED

(Previously Longton Transport (Holdings) Limited)

INTERIM REPORT (UNAUDITED)

	Half year ended 30.9.79 £'000	Half year ended 30.9.78 £'000	Year ended 31.3.79 £'000
Turnover	20,407	16,641	34,204
Profit before taxation	942	824	1,654
Profit after taxation	738	545	1,511
Interim dividend per share	1.4p	1.25p	5.0p*

*Includes the 0.5p special dividend

All divisions in the Group showed increased profits in the half year to 30th September, 1979 as compared with the same period for the previous year. This improvement has been maintained during the last quarter of the calendar year 1979.

Provided the Group is not adversely affected by events beyond our control an improvement in trading results as compared with the previous financial year can be expected.

M. J. H. Nightingale & Co. Limited

27/28 Lovat Lane London EC3R 8EB. Telephone : 01-621 1917

1979-80 High	1979-80 Low	Company	Price	Change	Gross Div (p)	Yield %	P/E
99	73	Airsprung Ord.	73	—	6.7	9.2	4.3†
50	38	Armitage and Rhodes	38	—	3.8	10.0	2.5†
228	185	Bardon Hill	228	—	13.8	6.1	6.7†
100	85	City Cars 10.7% Pref.	87	—	15.3	17.6	—
101	63	Deborah Ord.	89	−1	5.0	5.6	9.8
353	140	Deborah 17½% CULS	350	—	17.5	5.0	—
94	88	Frank Horsell	94	—	7.9	8.4	5.8
129	100	Frederick Parker	108	—	12.8	11.9	8.4†
156	105	George Blair	106	—	16.5	15.6	—†
62	45	Jackson Group	60	—	5.2	8.7	3.5†
153	115	James Burrough	115	—	7.2	5.3	10.1
300	242	Robert Jenkins	250	—	31.3	12.5	8.0†
232	175	Torday Limited	223	—	14.3	6.4	5.8†
34	16¾	Twinlock Ord.	22¼	−0⅝	0.8	3.8	4.2†
80	70	Twinlock 12% ULS	76	—	12.0	15.8	—
56	23	Unilock Holdings	55	—	2.6	4.7	11.7
84	42	Walter Alexander	82	—	4.4	5.3	5.4
190	136	W. S. Yeates	186	+1	11.5	6.2	7.2

† Accounts prepared under provisions of SSAP 15.

UK COMPANY NEWS

MINING NEWS

Prices of larger gems to rise by 12%

BY KENNETH MARSTON, MINING EDITOR

DIAMOND prices are to rise again, but only those of the larger stones of one carat and above marketed by De Beers' Central Selling Organisation on behalf of the South African group and other producers — about 85 per cent of world production.

As usual, no details of the increases are disclosed, but they will take effect from the February 18 sight (selling occasion, of which there are 10 a year) and will vary according to quality and size. The effect will be of an overall increase in all rough prices of 12 per cent.

The previous average price increase was of 13 per cent in September of last year and, before that, of 30 per cent in August, 1978. A lower volume of rough diamonds was sold last year because, despite the effects of these price increases, CSO sales rose only slightly to a record $2.59bn (£1.15bn) from $2.55bn in 1978.

The latest CSO price increase reflects the fact that while the market for the larger and better quality diamonds has remained good, a heavy surplus—guessed in some quarters as being as much as $3bn worth—of smaller stones has accumulated.

As far as De Beers earnings are concerned, the overall cooling of the diamond market in 1979 may have been offset by the group's important gold income, but only a modest increase of about 5 cents (2.7p) to 70 cents is expected in the 1979 dividend total; the past year's results are due in the second week of March.

The latest diamond price increase brightens prospects for the current year and there is a good chance that the relatively attractive prices of small diamonds—they have fallen some 25 per cent from last year's peak—could attract a revived demand and allow the group to take profits on its stocks.

In addition, De Beers is heading for a fresh increase in its gold dividend income. Yielding 8 per cent on a three times-covered dividend at the current price of 466p, the shares are now looking more attractive.

Seltrust gold hopes boosted

LATEST exploration results from the Griffins Find in Western Australia show that Selection Trust is proving up what is likely to be a useful extension of its gold interests.

Selection Trust's Australian unit, *Seltrust Mining*, is drilling at Griffins to earn 60 per cent of a joint exploration with Otter Exploration.

Gold mineralisation is present in a lens about 200 metres in length and up to 80 metres in width, Seltrust said yesterday in its latest quarterly report. The host rock is weathered down to about 25 metres and gold values continue in the rock below.

Work to estimate the ore reserves is going ahead for use in a feasibility study. But the exploration looks as if it has gone sufficiently far for the group to consider making a decision about possible production by the end of the year.

In the three months to December, Seltrust completed 65 reverse circulation rotary percussion holes, intersecting gold at depths down to 46 metres and seven diamond drill holes, intersecting gold at depths down to just over 104 metres.

The best results from the percussion drilling were an intersection over 39 metres grading 6.2 grams of gold per tonne of ore, another over 30 metres grading 5.6 grams and a third over 10 metres grading 7.0 grams. In one of the diamond drill holes there was an intersection over 10.85 metres grading 8.6 grams.

Clearly any future operation at Griffins would be small by South African standards. But it would nevertheless be a useful addition to a group of Selection Trust's size, having the considerable benefits of a relative modest capital demand and the promise of a fairly quick cash flow.

In London yesterday, Selection Trust shares fell 4p to 694p, while Seltrust "A" shares were unchanged at 198p. Otter shares fell at one stage to 75p but rallied to close unchanged at 81p.

White: buying spurt prompts inquiry

THE Sydney Stock Exchange has asked the directors of White Industries, the New South Wales coal producer, if they have information to explain sharp movements in the company's shares after hectic trading yesterday, reports **James Forth** from Sydney.

The shares rose A$5 to A$15 (734p), making a jump over two trading days of A$7. In mid-December the shares were A$5. Yesterday more than 1.1m shares, or 11 per cent of the issued capital, were traded.

Sudden buying of White shares erupted after reports that Mr. Alan Bond, the Western Australian businessman, was interested in building up what is believed to be his stake in the company through the purchase of the 25 per cent interest held by Mr. Kerry Packer's Consolidated Press group.

Consolidated Press first bought into White in late 1978. But spokesmen for both the group and for Bond Corporation denied any arrangement over the White shares or involvement in the market activity of the last two days.

There has also been speculation that Mitsubishi, which holds 9 per cent of White and 40 per cent of White's proposed Ulan development, has been buying the shares, but local spokesmen for the Japanese group said they had no knowledge of any activity.

The White directors have been asked to reply to the Stock Exchange queries today. They have been asked whether there are any important matters pending, whether they suspect insider dealing and whether they are aware of any person who has been dealing in the stock since December 1.

EARNINGS SURGE AT MIDDLE WITS.

Middle Witwatersrand (Western Areas), the mining finance subsidiary of South Africa's Anglo-Transvaal Consolidated, bosted net profits 85 per cent to R4.4m (£2.38m) in the six months to December from R2.38m in the same period of 1978, it was announced yesterday.

The rise reflects mainly the higher dividend flow from its holdings in precious metals stocks. Middle Wits has interests in, among others, Blyvoor, Buffelsfontein, Hartebeestfontein, Vaal Reefs and Rustenburg Platinum.

● NEWS ANALYSIS—VAUX SCOTTISH SALE

Surprise move makes sense for both sides

BY JOHN MAKINSON

THE ANNOUNCEMENT that Allied Breweries was buying Lorimer's, the Scottish brewing subsidiary of Vaux, took competitors and shareholders by surprise. Yet, with hindsight, the move makes clear sense for both parties.

Allied is strengthening its Scottish presence to attack the dominant brewers in the area—Scottish and Newcastle and Bass—while Vaux is picking up a handsome price for a subsidiary which has produced an unsatisfactory return on capital and last year barely broke even after interest charges.

Under the terms of the agreement, Ind Coope, the Allied subsidiary, will receive 214 pubs as well as a hotel and a restaurant. It also obtains a brewery, but this is being closed. To pay for the package, Allied has issued 29.6m new shares to Vaux, which has placed them on the market at 71$\frac{1}{16}$p, netting the regional brewer £20.9m.

Th epayment corresponds approximately to the net book value of Lorimer, which is £21.1m. As the properties were revalued last year, this is probably close to the current value of the assets. A further payment will be made either to or by Vaux to reflect any change in net assets up to completion.

Vaux is therefore receiving a useful price for a company which has shown a drop in profits from £1.7 to £1.2m over the past three years. When interest charges are included, the return has been still lower.

Vaux will use the cash to pay off overdrafts and strengthen its presence in the North of England, through pubs and hotels. As a first step in this direction, Vaux has bought ten pubs and one hotel from Allied for £1.35m.

Though large by the standards of regional brewers, ranking with Greenall Whitley, and Wolverhampton and Dudley, in the top three, Vaux had a disadvantafe in its rather wide geographic base.

The most successful regional brewers, such as Greene King and Grenall, have a concentrated network of outlets which enable them to control distribution costs, maximise their advertising budgets and build up local brand loyalty.

Vaux's declining market share in Scotland has been caused in part by its low ininitial penetration of a large market. Lorimer's had only about 2 per cent of the Scottish beer market. With the major brekers freed from Price Commission shackles and reviving their local brews, its difficulties have intensified.

Allied's motives for buying Lorimer's were similar. The group's market share in Scotland is less than 100 per cent, which compares with around 45 per cent for S an N and at least 30 per cent for Bass. Particularly in view of the labour problems at Warringtin, which have undermined customer confidence, Allied needed to inject new muscle in to the Scottish operation.

Two advantages will accrue to Allied immediately through the deal. Firstly, it will have a far stronger presence in the tied trade, where margins are under less pressure than in the free trade. Until now, Allied has had only 40 pubs in Scotland.

Furthermore, it will enable the group to soak up spare capacity at its Alloa brewery, which produces Skol and Diamond Heavy for the Scottish market. According to Mr. John Clemes, Alilled's finance director, Alloa has enough spare capacity ot handle all the new business, though other beers will continue to be provided from England.

The losers from yesterday's match could well be S & N and Bass. S & N, for example, will be under more vigorous pressure from Allied in Scotland and from Vaux in Northern England. Mr. Peter Balfour, the group's chairman, accepted that competition will be more severe but adds philosophically that he is used to it.

The deal must still clear the hurdle of the Office of Fair Trading. A decision on whether it will be referred to the Monopolies Commission can be expected in about three weeks. But, given the dominance of the two major brewers in Scotland, the OFT may decide the arrangement actually strengthens competition in the area.

The delay in approval created some uncertainty yesterday, however, when Cazenove placed the shares. The placing took around 1½ hours, but some institutions were apparently reluctant to take on shares which they could not trade immediately. The shares will not be listed unti the OFT makes up its mind. Moreover, the share price performance of Allied recently has done little to inspire enthusiasm.

Ruo Estates profits halved

HALVED PROFITS and dividend are announced by **Ruo Estates Holdings** for the year ended June 30, 1979. The company grows and manufactures tea in Malawi.

With turnover £0.43m lower at £1.29m, pre-tax profits for the year dropped from £605,228 to £300,519. In October, the directors forecast a substantial fall in profits resulting from a reduction in crop mainly due to climatic reasons, a consequent rise in production costs and a general fall in tea prices.

Following the omission of the interim dividend, a final of 4.5p net compares with the previous year's total of 9p. Stated earnings per 25p share were down from 21p to 13p.

Tax for the year took £123,778 (£319,849).

Exchange losses are no longer charged to the company's results but to its reserves and as a result, a charge of £82,564 (£12,222) has been made against reserves.

First-half rise for Longton

TAXABLE profits of Longton Industrial Holdings advanced from £824,000 to £942,000 in the half year to September 30, 1979. In the last full year, there was a record surplus of £1.65m compared with £1.16m.

Turnover went ahead in the six months from £16.64m to £20.41m. The tax charge is lower at £204,000 (£279,000).

Stated earnings per 25p share rose from 7.81p to 10.88p and the interim dividend is increased from 1.25p to 1.4p—last year's total was 5p, including a 0.5p special anniversary payment.

Activities of the group, which on November 1, 1979, changed its name from Longton Transport (Holdings), including road transport and freight handling, steel stockholding and engineering supplies, vehicle and construction plant distribution and repair, crane hire and insurance broking.

MIDLAND BANK STATISTICS

Statistics compiled by Midland Bank show that the amount of "new money" raised in the UK in January was £28.0m, a sum broadly similar to the £32.3m and £32.7m raised in January 1978 and 1977 respectively but only a quarter of the December total of £106.0m.

Issues by public bodies accounted for two-thirds of the months total, in contrast to the generally low level of activity in 1979. Twenty local authorities made 24 bond issues in amounts ranging from £250,000 to £2.5m.

EUROPEAN OPTIONS EXCHANGE

Series		April Vol.	April Last	July Vol.	July Last	Oct. Vol.	Oct. Last	Stock
ABN C	F.520	3	4	—	—	—	—	F.299
ABN C	F.330	5	2.50	—	—	—	—	"
ABN C	F.320	—	—	13	6	—	—	"
ABN C	F.300	—	—	—	—	1	20	"
AKZ C	F.22.50	179	2	—	—	—	—	F.24
AKZ C	F.25	40	0.80	50	1.40	—	—	"
AKZ C	F.27.50	—	—	10	0.80	—	—	"
AKZ C	F.30	—	—	2	0.20	—	—	"
AKZ C	F.22.50	—	—	—	—	5	3.70	"
AKZ C	F.25	—	—	—	—	50	1.80	"
AKZ P	F.25	105	1.40	100	1.50	—	—	"
AKZ P	F.27.50	—	—	20	3.60	—	—	"
ARB C	F.65	37	1.80	—	—	—	—	F.62.10
BQ C	F.220	50	7.50	—	—	—	—	F.218.50
CSF C	F.400	3	161	—	—	—	—	F.551
CSF C	F.560	—	—	—	—	5	50	"
EK C	$50	10	2⅝	—	—	—	—	$49⅛
HEI C	F. 70	—	—	—	—	10	8	F.73.10
IBM C	$70	3	4½	—	—	—	—	$70⅞
IBM C	$75	—	—	—	—	1	5½	"
KLM C	F.60	16	13	—	—	—	—	F.72.50
KLM C	F.70	332	6	—	—	—	—	"
KLM C	F.80	552	1.80	—	—	—	—	"
KLM C	F.90	115	0.50	—	—	—	—	"
KLM C	F.100	108	0.20	—	—	—	—	"
KLM C	F.110	37	0.10	—	—	—	—	"
KLM C	F.70	—	—	20	8	—	—	"
KLM C	F.80	—	—	25	3.20	—	—	"
KLM C	F.60	—	—	—	—	1	13	"
KLM C	F.70	—	—	—	—	19	9	"
KLM C	F.80	—	—	—	—	33	4.20	"
KLM P	F.60	226	1.20	—	—	—	—	"
KLM P	F.70	280	3.30	—	—	—	—	"
KLM P	F.80	189	9	—	—	—	—	"
KLM P	F.90	26	18.50	—	—	—	—	"
KLM P	F.60	—	—	112	2.50	—	—	"
KLM P	F.70	—	—	60	6.30	—	—	"
KLM P	F.60	—	—	—	—	11	4	"
KLM P	F.70	—	—	—	—	25	8.80	"
NN C	F.115	20	7.20	—	—	—	—	F.118.40
NN C	F.120	38	3.70	—	—	—	—	"
NN P	F.120	3	2.50	—	—	—	—	"
PET C	Fr.5000	20	1000	—	—	—	—	Fr.5810
PET C	Fr.5500	1	600	—	—	—	—	"
PET C	Fr.6000	17	290	—	—	—	—	"
PHI C	F.20	20	1.20	—	—	—	—	F.20.40
PHI C	F.22.50	20	0.40	—	—	—	—	"
PHI C	F.20	—	—	10	1.50	—	—	"
PHI C	F.22.50	—	—	1	0.60	—	—	"
PHI C	F.20	—	—	—	—	32	2	"
PHI C	F.22.50	—	—	—	—	27	1	"
PHI P	F.20	5	0.40	—	—	—	—	"
PHI P	F.22.50	1	2.10	—	—	—	—	"
PHI P	F.20	—	—	15	0.70	20	0.60	"
PRD C	$25	5	2	—	—	—	—	$23
RD C	F.140	2	19.50	—	—	—	—	F.160.10
RD C	F.145	32	15.70	—	—	—	—	"
RD C	F.150	47	11.50	—	—	—	—	"
RD C	F.160	313	5.20	—	—	—	—	"
RD C	F.140	—	—	46	21	—	—	"
RD C	F.150	—	—	64	12	—	—	"
RD C	F.160	—	—	295	6.30	—	—	"
RD C	F.150	—	—	—	—	20	13.60	"
RD P	F.145	10	0.80	—	—	—	—	"
RD P	F.150	82	1.60	—	—	—	—	"
RD P	F.160	33	5.40	—	—	—	—	"
RD P	F.150	—	—	49	5	—	—	"
RD P	F.160	—	—	5	10	—	—	"
UNI C	F.125	20	0.90	—	—	—	—	F.115.90
XON C	$60	16	3¼	—	—	—	—	$61
		Feb.		May		Aug.		
BA C	$50	5	18⅛	—	—	—	—	$58¾
BA C	$60	—	—	2	11	—	—	"
BA C	$70	—	—	8	5⅝	—	—	"
BA C	$60	—	—	—	—	2	12½	"
BA C	$70	—	—	—	—	9	8⅛	"
OXY C	$25	5	4⅛	5	5⅞	—	—	$29⅛
OXY C	$30	—	—	3	2⅜	—	—	"
SLB C	$80	6	27¼	—	—	—	—	$107¼
SLB C	$90	3	16¾	—	—	—	—	"
SLB C	$100	20	7	—	—	—	—	"
SLB C	$90	—	—	41	19⅛	—	—	"
SLB C	$100	—	—	—	—	40	13¼	"

TOTAL VOLUME IN CONTRACTS 4317

C=Call P=Put

Stoddard falls in first half

PRE-TAX profits of Stoddard Holdings, manufacturer of Axminster, Wilton and bonded carpets, dropped by £56,000 to £370,000 in the six months to November 30, 1979. Turnover improved from £11.8m to £12.5m.

Demand remained firm throughout the first half, but had not been as buoyant as previously, states Sir Robert Maclean, the chairman. The Board believes, however, that despite the challenges of the market, Stoddard should hold its position in the industry.

A cautious entry has been made into the "tufted" market and this is only modestly reflected in the turnover. The tufted unit is not yet breaking even, but progress is being made and in the long term it is expected to contribute to profits.

The interim dividend is increased from 0.532p to 0.556p—a final of 0.8576p was paid last year, when total profits were £723,000. Stated earnings per 25p are 2.16p against 2.49p.

There were exchange losses of £88,000 (£91,000) and financial charges of £244,000 (£223,000). Tax charged was slightly lower at £192,000 (£222,000).

Technology Tst.

After-tax earnings of the Technology Investment Trust advanced from £318,046 to £509,260 for the six months to November 30, 1979. Gross revenue was ahead at £812,690, compared with £554,242.

Net asset value at the half year is shown as 137p per 25p share, against 140p last time.

As already known, the interim dividend is being raised from 1p to 1.5p net and there is a special interim of 0.36p in respect of payment of arrears of dividends received. A final of at least the same as last year's 2.1p has been forecast.

BOARD MEETINGS

The following companies have notified dates of Board meetings to the Stock Exchange. Such meetings are usually held for the purpose of considering dividends. Official indications are not available as to whether dividends are interims or finals and the sub-divisions shown below are based mainly on last year's timetable.

TODAY

Interims:—Roland Gaunt, Radley Fashion, Wholesale Fittings.
Finals:—Colonial Securities Trust, Evode.

FUTURE DATES

Interims:—

Apex Properties	Feb. 4
Watshams	Feb. 8

Finals:—

Crescent Japan Invest. Tst.	Feb. 12
Howard Machinery	Feb. 14
Lancashire & London Inv. Tst.	Feb. 14

BANK RETURN

	Wednesday Jan. 30, 1980	Increase (+) or Decrease (—) for week
BANKING DEPARTMENT		
Liabilities	£	£
Capital	14,553,000	—
Public Deposits	20,995,284	— 3,316,417
Special Deposits	27,935,000	—
Bankers Deposits	463,826,180	— 83,921,367
Reserves & other Accounts	644,017,664	— 13,118,728
	1,171,328,128	— 99,356,502
ASSETS		
Government Securities	404,162,324	— 128,935,000
Advances & Other Accounts	443,154,596	— 39,284,950
Premises Equipment & Other Secs.	303,782,962	+ 74,127,385
Notes	20,008,281	— 5,248,078
Coin	209,865	— 15,859
	1,171,328,128	— 99,356,502
ISSUE DEPARTMENT		
Liabilities	£	£
Notes Issued	9,625,000,000	—
In Circulation	9,604,991,719	+ 5,248,078
In Banking Department	20,008,281	— 5,248,078
ASSETS		
Government Debt	11,015,100	—
Other Government Securities	7,284,285,569	— 84,820,324
Other Securities	2,329,699,331	+ 84,820,324
	9,625,000,000	—

FOOD PRICE MOVEMENTS

	January 31 £	Week ago £	Month ago £
BACON†			
Danish A.1 per ton	1,270	1,270	1,240
British A.1 per ton	1,220	1,220	1,220
Ulster A.1 per ton	1,220	1,220	1,220
BUTTER†			
NZ per 10 kg	14.20/14.37	14.20/14.37	13.60/13.77
English per 10 kg	18.57	18.57	18.07
Danish salted per 10 kg	19.18	19.18	18.75
CHEESE‡			
English cheddar	1,505/1,560	1,505	1,505
Irish cheddar	1,535.95	1,526.11	1,410/1,440
Danish cheddar	1,420	1,395	1,420
EGGS*			
Home produced:			
Size 4	4.60/4.80	4.70/4.90	4.80/5.20
Size 2	4.90/5.10	5.00/5.10	5.30/5.70
	January 31 p	Week ago p	Month ago p
BEEF			
Scottish killed sides ex-KKCF	64.0/68.0	63.0/67.0	65.0/69.0
Eire forequarters	48.0/50.0	46.0/49.0	40.0/43.0
LAMB			
English	44.0/58.0	46.0/56.0	44.0/54.0
NZ PLs/PMs	50.0/51.0	49.0/51.0	51.0/52.0
PORK			
All weights	37.0/50.0	36.0/50.0	38.0/51.0
POULTRY			
Oven-ready chickens	37.0/46.0	37.0/48.0	38.0/42.0

* London Egg Exchange price per 120 eggs. † Delivered. ‡ 20-kg rindless blocks delivered, per tonne.

هكذا من الاصل

UK COMPANY NEWS

BIDS AND DEALS

Eurocanadian to sell Manchester Liners stake

Eurocanadian Shipholdings has agreed to sell its 37.6 per cent stake in Manchester Liners to one of its own shareholders, Canadian National Railways.

Eurocanadian built up its stake in Manchester Liners in 1974 and at one stage wanted to take over the company and merge its container operations with its own. However, a Monopolies Commission report ruled that the merger should not go ahead. Meanwhile Eurocanadian had also been buying shares in Furness Withy. The Monopolies Commission ruled the proposed merger would not be in the public interest and told Eurocanadian to reduce its stake in Furness to no more than 10 per cent by the end of 1979.

Commenting on the sale yesterday Mr. Klaus Glusing of Eurocanadian said: "It has become clear in recent months that our original project of ensuring the long term viability of ML by merging of their North Atlantic volume with our own container operation is no longer valid in terms of our own best interests in the 1980's.

Another senior Eurocanadian executive Mr. Peter Twiss also said that he understood that Furness Withy themselves had shown interest in disposing of their own majority stake in Manchester Liners. He hoped that by removing Eurocanadian from the scene it would help clear the air and permit others to give ML the financial support and direction it needed.

Manchester Liners's profits fell sharply during 1978 and it cut its dividend. In the first half of 1979 the company was badly hit by the U.K. lorry drivers strike and made a pre-tax loss of £2.3m.

Manchester Liners has suffered in recent years because its two major shareholders (there is a tiny public shareholding) were hardly on speaking terms. The acquisition of the shares by Canadian National Railways should help the company resolve its difficult problems. CNR is the principal supplier of rail services in North Amerca to ML.

Initially, Eurocanadian hoped to meet its undertaking to the U.K. Government to reduce its stake in Furness o 10 per cent by transferring its shares to Dolphin Investments, Helix Investments and CNR. However, the Department of Trade has said that this does not fulfill the undertaking and over the last week Dolphin Investments has been reducing its stake. It now holds just under 10 per cent, CNR owns 3.3 per cent and Helix Investments 3.9 per cent.

Dalgety Frozen Foods sold for £850,000

Dalgety is to sell its frozen food subsidiary, **Dalgety Froezn Foods**, to **Louis C. Edwards and Sons (Manchester)**, the meat group, for £850,000 cash.

Cordon Bleu Freezer-Food Centres, a newly acquired Edwards offshoot, will pay £100,000 on completion of the deal on February 4, two instalments of £200,000 each six and nine months later, and the rest after 12 months.

The sales and pre-tax profit of Dalgety Frozen Foods for the year to June 30, 1979 were £10.19m and £3.00 respectively, and net assets were £841,000.

DFF operates 33 stores principally in the South East of England retailing frozen foods and freezers. Following the acquisition, Edwards' frozen food retail activity will comprise 79 stores in the North, Midlands and the South East with total annual sales of around £30m.

Since February 1979, Edwards has been under the management and direction of Gulliver Foods.

Mr. David Webster, a director of Edwards, said yesterday that the merger of the two freezer chains would mean a "substantial presence in the specialist freezer market."

The group intended to build on that presence by new store opening "or acquisitions where appropriate."

Meanwhile it would be looking at the Dalgety chain on a store by store basis and expected it to show real profits in the reasonable period of time. Centralising buying and administration would be a major benefit, Mr. Webster said.

REVERSE BID BY UNITED RUBBER

United Rubber and Coffee Plantations (1932), a virtual cash shell company, is to acquire **Allied International Designers** for £650,000 in new shares. This will give AID shareholders and senior staff a 71 per cent stake in United Rubber, and a bid is being made for the remainder.

This will consist of an unconditional cash offer of 6p a share for the 1.54m shares in United Rubber, equivalent to 12p for each 10p share after a planned consolidation of the units.

Among the conditions for the deal going through is the obtaining of certain tax clearances by the seller. The board of United Rubber, which now has no active business but used to run plantations in Indonesia, intend to vote their own holdings totalling nearly 27 per cent of the shares in favour of the reverse takeover.

UKO BUYS OPTICAL BUSINESSES

UKO International has bought the optical business and connected assets of **Levers Optical (Manufacturing)** and the **Willesden Optical Works**.

Levers and Willesden were owned by the Levers Optical Company, which has been struggling with losses for some years. Levers acquired Willesden in 1976 for £67,500 and merged it with its own optical business. That side has since been run down and Levers' share quotation has been cancelled.

Last October, however, reporting reduced losses of £28,681 (£63,360) for 1978, Levers' board said it still intended to seek a requotation some time.

MOOLOYA INVESTMENTS

Mr. C. Baldwin of **Wesseals** has acquired a further 100,000 ordinary shares at 95p in **Mooloya Investments**. This holding was acquired from Mr. B. Hersh, director, who no longer owns or controls any shares in the company. It is understood that this acquisition, taken together with the holdings of Wesseals and/or Christopher Baldwin immediaetly before the acquisition of 45,000 ordinary shares, brings total holding of Wesseals and/or Christopher Baldwin to 145,000 shares (approximately 23 per cent of entire issued share capital).

Share deals in London Sumatra

McLeod Russel and Co., the plantation holding company, has reduced its holding in **London Sumatra Plantations**, which owns rubber estates in Indonesia and Malaysia, from 4.43 per cent to 2.23p per cent, realising a gross profit of £1.2m.

At the same time **Harrisons and Crosfield**, the plantation and industrial group is increasing its holding in London Sumatra by 1.7 per cent to 45.9 per cent.

The share prices of all three companies were active yesterday: McLeod jumped 21p to 340p, London Sumatra rose 10p to 435p while H and C fell 13p to 787p.

McLeod announced that on January 30 a subsidiary sold 350,000 London Sumatra stock units at 430p each, which compares with a price of 100p when the shares were purchased in January 1978 prior to the bid for London Sumatra by its associate, McLeod Sipef Plantations.

The share sale, which reduces McLeod's stake to 355,250 units (2.23 per cent), realised £1.5m gross compared with a cost price of some £350,000.

A spokesman for McLeod said yesterday that it was decided to realise part of the holding in view of the increased value of the company's investment. He said that the price reflected a rerating of Indonesian plantations. There was no present intention of selling the rest of the stake but if the price came back a lot the company might consider buying some shares.

Mr. T. Prentice, chairman of H and C, said that the increase in the London Sumatra stake was a "routine purchase" in keeping with the rules of the Take-over Code. Under this the company was permitted to increase its stake by up to 2 per cent a year without being obliged to make a full bid.

SHARE STAKES

W. H. Smith and Son (Holdings) — Viscount Hambleden, director, acquired an interest in 665,500 "B" ordinary as a co-trustee, and his total interest is now 7,613,750 (10.94 per cent).

H. P. Bulmer (Holdings)— J. C. Bulmer acquired an interest in 592,550 ordinary. His total beneficial holding is now 410,817 shares and his non-beneficial holding 663,533. Total interest now 10.39 per cent.

'W' Ribbons disposes of German subsidiary

"W" Ribbons Holdings, the manufacturer of synthetic webbings and cargo-handling equipment, has agreed to sell the seat belt division of its 88 per cent owned West German subsidiary, Hansaliv-Gurte GmbH and Co. KG, to **Granges Weda A.B. of Sweden**, with effect from March 1.

The sale, which represents book value, will raise DM 4.7m (£1.2m). Payment will be in deferred terms—on the plant and machinery (DM 1.8m) over three years and on the stock and work in progress (DM 2.9m) over one year.

"W" Ribbons has also agreed to lease the major part of the Hansaliv-Gurte factory to Granges Weda for DM 390,000 a year and also has granted them the option to purchase the freehold of the land and building for DM 5.2m (£1.3m) within two years.

Granges Weda is a subsidiary of Granges A.B.—the major Swedish group engaged in nonferrous engineering and seat belt manufacture.

DRAKE & SCULL PROPERTY SALE

Drake and Scull Holdings, the engineering group, has now completed the sale of the group's interest in Greyfriars Centre, Ipswich, to "a major public company" for £900,000 cash.

Last November, when details of the group's proposed capital reduction programme were announced, the company said that talks were at an advanced stage for the sale of the group's interest in a property not used in the normal course of trading.

The group acquired an interest in the property in November, 1977, and since then has received a net cash flow of some £40,000 a year.

The group's interest in the property was professionally revalued at £200,000 in October, 1979. Since then a reversionary interest in the property has been purchased by the group and it is estimated that an extraordinary profit of some £475,000 net will arise in the current year.

Court sanction has been received for the capital reduction and dealings in the new shares in their new 1p nominal form are expected to start on Monday.

Drake says that, having accomplished two important objectives it is confident that the provisions of the new Companies Bill, if enacted in its present form, will not prevent the company from continuing to pay dividends.

ELECTRA REDUCES JANTAR HOLDING

Electra Finance Company, the investment dealing offshoot of Globe Investment Trust, has reduced its holding in Jantar, the West Midlands based company with interests in Nigerian tin mining where Mr. Edward Nassar, the Lebanese businessman, took over the chair early last week.

Electra has sold 130,000 ordinary shares cutting its holding from 8.93 per cent to 2.29 per cent. A spokesman for Electra said yesterday that the sale had been based solely on commercial judgment at what was considered to be an adequate price.

DANA TRIPLE PURCHASE

Dana is to acwuire three private UK companies under common management: **Intertruck, Truckparts and Autotube and Plastics**, plus the remaining minority interests of Intertruck Continental BV not already held by Intertruck. The total consideration of £3.28m, mainly in shares, wil lbe paid in two instalments.

The aggregate net tangible assets of th e companies amounted to £2.35m. at April 30, 1979. Pre-tax profits were £0.39m. on sales of £8.21m. for the year ended April 30, 1979.

PENTOS ACQUIRES HULL BOOKSELLER

Pentos' wholly-owned subsidiary, Hudsons Bookshops is to acquire the retail bookshop and library supply business of A. Brown and Sons, known as "Browns," for about £330,000 cash.

Hudsons will acquire the freehold premises, fixtures and fittings of Browns valued at £210,000 plus the stocks, estimated at £120,000.

The Browns Bookshop business estimates that sales in its latest year to January 31, 1980, will be around £600,000.

ASSOCIATED ENGINEERING

Mr. J. N. Ferguson, chairman on Associated Engineering, reminded holders of his annual statement, in which he had said that, provided the level of industrial disruption was contained at a much lower level, and some success was achieved in controlling inflation, prospects for 1980 were of a return to a more satisfactory level of profitability.

However, neither of these provisions had yet been achieved. This, together with the continuing high interest rates, made it virtually impossible to forecast full-year profits.

But if the steel strike was resolved quickly, and there were no other major disruptions, the prospects remained for some improvement in profits.

APPOINTMENTS

Fisons re-structures U.S. operations

FISONS is re-structuring its North American operations. Each of its three existing activities in the U.S — scientific equipment, agrochemicals and pharmaceuticals—will operate through a separate, wholly-owned subsidiary with a president in each case who is resident full-time in the U.S.

Mr. Stephen Attwood becomes president, Fisons Corporation (for pharmaceuticals), **Mr. Rondal Cheves** becomes president, Fisons Incorporated (for agrochemicals), and **Dr. Heiner Cromer** remains president, Haake Inc. (for scientific equipment). The chairmen of the three American companies will be the main board directors in charge of the relevant UK divisions. **Mr. Joe Valentine**, therefore, becomes chairman of Fisons Corporation, **Mr. Terry James**, chairman of Fisons Incorporated, and **Mr. Jack Heath**, chairman of Haake Inc.

Mr. Peter Fothergill is general manager of the Canadian pharmaceutical company, Fisons Corporation Ltd., of which Mr. Valentine will be the chairman. **Dr. Peter Young** will be a director of Fisons Corporation and Fisons Incorporated and will act in a financial role for all four companies.

*

Mr. Jeremy Hardie is to become a director of UNILEVER PENSION INVESTMENTS, the company responsible for the investment of Unilever's UK Pension Fund. He is a partner at chartered accountants, Dixon Wilson and Co. He is also deputy chairman of the Monopolies Commission and a deputy chairman of the National Provident Institution.

*

OLYMPIC HOLIDAYS has appointed **Mr. Barry Barnes** as operations and finance director designate. His responsibilities include operations, finance, computer administration and corporate systems. A non-executive appointment to the Board is **Mr. Robert Upsdell**. **Mr. Eric Sutherland**, deputy chief executive, assumes the additional new title of sales director. **Mr. Chris Mansell**, becomes sales manager with specific responsibilities for strengthening liaison with travel agents.

*

WEATHERMAKER EQUIPMENT has made the following appointments: **Mr. Richard Borton** has become service director with responsibility for service and maintenance and **Mr. Lloyd Montaut** is the new administration director. Directors of marketing and engineering are **Mr. Tony Goffey** and **Mr. Martyn Love** respectively.

*

Mr. Colin Lee will be joining BOOKER McCONNELL on February 1, as planning executive. He will be concerned with planning and development within Booker McConnell and will also act as secretary to the company's corporate planning group.

*

Mr. Geoffrey Sutcliffe has been appointed senior international executive for the Africa and Middle East Region of NATIONAL WESTMINSTER BANK'S international banking division, based in the City. He succeeds **Mr. E. F. Nightingale** who is retiring.

*

Mr. Andrew Barber has been appointed deputy managing director of CAPPER NEILL PLASTICS, part of the Capper Neill Group.

*

Mr. George Murray has been appointed head of group management services for PILKINGTON BROTHERS. He succeeds **Mr. Peter Shepherdson** who has been appointed general manager—new opportunities.

*

Mr. Warren Bradley has been appointed personnel director of TI TOWER HOUSEWARES, the Wombourne-based cookware manufacturers. Following five years with the TI Group, Mr. Bradley joined Tower three years ago as personnel manager.

*

Former Ford and British Leyland director **Mr. John Barber** has been appointed a non-executive director of GOOD RELATIONS HOLDINGS and the GOOD RELATIONS GROUP. Before joining British Leyland, where he was deputy chairman and managing director, Mr. Barber was finance director of The Ford Motor Company. He is also a director of Acrow and A C. Edwards (Engineering), and of The Wilshier Group.

*

Mr. M. P. Bridger, Mr. R. W. Shilling and Mr. D. W. S. Wright, have been appointed to the Board of MACARTHY'S PHARMACEUTICALS as non-executive directors. They are managing directors respectively of the company's retail, surgical and wholesale divisions.

*

Mr. Graham Ferguson Lacey, whose appointment as executive chairman of the NATIONAL CARBONISING COMPANY was announced yesterday, became non-executive chairman of the company in August last year.

*

Mr. Rex Winsbury, has joined the Board of FINTEL, as viewdata director. Fintel, a subsidiary of the Financial Times and the Exchange Telegraph Company, specialises in electronic distribution of business information. Mr Winsbury has been editorial director since its formation in February 1978, with additional responsibility for marketing.

*

Mr. N. C. (Norman) Baker has been appointed deputy chairman and joint managing director of TAYLOR WOODROW CONSTRUCTION.

*

Mr. Peter Cadbury, executive chairman of Westward Television has joined the board of ASTON MARTIN. A "life-long supporter" of the marque, he is also a member of the Aston-Martin-led consortium which last week made a formal offer to BL for its MG sports car business. The consortium is still awaiting BL's reply to the offer

*

The Employment Secretary has appointed **Mr. Donald Stradling**, group director of John Laing, to serve on the MANPOWER SERVICES COMMISSION. The appointment is made following consultations with the Confederation of British Industry and will run until December 31, 1982.

*

SHELL INTERNATIONAL CHEMICAL COMPANY states that **Mr. M. J. Waale**, Chemical Co-ordinator London, has been appointed a director from February 1.

*

Mr. Andrew Cook has been appointed deputy executive chairman and chief executive of WILLIAM COOK AND SONS (SHEFFIELD). **Mr. A. McT. Cook**, formerly chairman and managing director, remains chairman.

*

Mr. Robert E. Dwyer has been named worldwide marketing director — microelectronic devices, ROCKWELL INTERNATIONAL CORPORATION.

*

Miss Margaret Ann Francis has been appointed secretary of BRITISH CINEMATOGRAPH THEATRES following the resignation of **Mr. J. B. M. Scott**.

*

Mr. Myung Soo Kim, general manager of KOREA FIRST BANK, London branch, will be returning to Korea during February, to take up a new appointment in Seoul. **Mr. Chul Soo Rhee** has been appointed his successor.

*

Following the acquisition by TILBURY PLANT of the whole of the issued share capital of Compressor Hirers, Compressor Hirers (Sales) and Compressor Hirers (Trading), the Boards of these three companies now comprise: **Mr. C. Brand**, chairman; **Mr. K. H. Tate**, director; **Mr. E. J. Cardnell**, director; **Mr. J. O. Ives**, director and general manager; **Mr. E. G. Kellas**, sales director; and **Mr. F. G. Chapman**, director and secretary. **Mr. J. O. Ives, Mr. E. G. Kellas** and **Mr. M. P. Staples** have been appointed directors of Tilbury Plant.

*

Mr. Cedric John Riley, manager of personnel and industrial relations at CUTLER-HAMMER EUROPA, Bedford has been appointed to the Board from February 1.

*

The Energy Secretary has re-appointed **Mr. James Cowan** and **Mr. Philip Weekes** part-time members of the NATIONAL COAL BOARD. Mr. Cowan and Mr. Weekes are NCB area directors in Scotland and South Wales respectively and both will continue in these posts.

*

Mr. C. J. Humphrey has been appointed regional general manager of the Greater London (South) regional office of LLOYDS BANK. He succeeds **Mr. G. G. Drew** who retires on April 30.

*

Dr. John Adie, has been appointed managing director of FRAZER-NASH (CONSULTANCY), of Kingston-upon-Thames.

*

SOCIETE NATIONALE ELF AQUITAINE has appointed **Mr. Jacques Pavard** to the newly-created position of group managing director in the UK. He joined the group in 1959 and was financial manager of Aquitaine before being appointed area manager for the Americas and Australia in 1978.

*

Mr. Malcolm S. Mackenzie has been appointed director of finance for INTERNATIONAL HARVESTER COMPANY OF GREAT BRITAIN. Previously he was comptroller and company secretary.

*

Mr. R. A. Custis, who is at present deputy director general of the Department of Energy's offshore supplies office (OSO), has been appointed director general from April 1. He will succeed **Mr. Norman Smith** who returns to Baring Brothers and Co. at the end of his term of secondment to OSO.

*

CHARTPAK EUROPE, a company of the Times Mirror Group, has appointed **Mr. Raymond Dawe** to the board as sales and marketing director.

*

Mr. Muzzafer Aktas has been appointed a director of STEWART WRIGHTSON (REINSURANCE BROKERS) from February 1. He was until recently an adviser to Milli Reasurans TAS (National Reinsurance Company), of Istanbul.

*

Secretary of the BRITISH CERAMIC PLANT AND MACHINERY MANUFACTURERS' ASSOCIATION since its formation, **Mr. Chris Heach** has been appointed director.

*

Mr. Harold J. Corbett has been elected a vice-president of MONSANTO COMPANY of the U.S. He is managing director of Monsanto Plastics and Resins Company.

NORTH AMERICAN NEWS

Good first quarter advance at Peabody

By Our Financial Staff

A STRONG performance by its oilfield sector led to a 15 per cent increase in earnings and a 10 per cent rise in sales in the first quarter ended December 31 for Peabody International, one of the leading U.S. companies in the pollution control field.

Earnings reached $6.45m or 61 cents a share compared with $5.61m or 53 cents on revenues which advanced to $151.5m. The figures are restated to allow for the pooling of interest and a 5 per cent stock dividend to be paid on March 31.

Peabody said that more than half of its sales and an even greater percentage of profits related to energy exploration, production, transportation and clean up. The company said that the trend to higher oil field sales is rising. Increased aerospace spending could also boost its quality assurance line in the coming months.

Strong gains by C-I-L

By Robert Gibbens in Montreal

C-I-L, THE Canadian arm of ICI of the UK, earned C$36.3m ($US42.1m) in 1979 up 37 per cent from 1978, on sales of C$879m, which rose 18 per cent. Per share earnings were C$3.11 against C$2.28. Major gains came in farm chemicals, industrial chemicals, explosives, plastics and mining equipment.

Fourth quarter earnings were C$7m or 55 cents a share against 24 cents in 1978. Sales were up 20 per cent to C$219m. Proceeds from the sale of the company's 50 per cent stake in Canadian Freehold Properties have been used to reduce short-term debt.

Bethlehem Steel

Mr. Donald H. Trautlein, 53, has been elected as chairman and chief executive officer of Bethlehem Steel Corporation with effect from June 1, Reuter reports from Bethlehem. Formerly an executive vice president of Bethlehem, Mr. Trautlein will succeed Mr. Lewis. W. Foy, who will retire on May 31 but will continue to serve as a director. Mr. Foy has served as chairman since August 1, 1974.

Toys and groceries boost profits at Quaker Oats

BY OUR FINANCIAL STAFF

BREAKFAST food manufacturer Quaker Oats, which also operates in the toy, chemical and restaurant businesses, pushed earnings ahead by 15 per cent to $20.7m in the second half of its current fiscal year. Share earnings rose from 90 cents to $1.05 a share, and sales at $608.3m recorded a gain of one fifth.

At the half-time stage, Quaker Oats shows a 13 per cent fall in earnings at $43.4m, or $2.20 but the 1978 figure was boosted by a 74 cent gain from a change in accounting method.

The company said that the improved results for the second quarter were due primarily to increased operating income in its international grocery products group and to favourable sales and operating income performance of the Fisher-Price toys division.

Mr. Robert D. Stuart Jr., the chairman said sales in international grocery products during the first half rose 52 per cent over a year ago and operating income was up 29 per cent.

Sales at Fisher-Price for the second quarter were up 6 per cent over a year ago and operating income rose 9 per cent.

For the full year, earnings of $4.01 a share have been estimated with a rise to $4.50 forecast for the following year.

Quaker's food products have proved largely recession-proof in the past, and the toy business, which turns in about one fifth of earnings, expects to show a significant increase in profits. Restaurant operations (5 per cent of profits) could show a slowdown, according to analysts.

In the opening three months of the year, Fisher-Price recorded a 55 per cent gain in profits, and those of the U.S. grocery section put on 24 per cent.

Over the past decade, Quaker has established a good growth record in both sales and earnings and further gains are expected.

Socal's foreign earnings soar

BY STEWART FLEMING IN NEW YORK

ANOTHER of America's largest oil companies, Standard Oil Company of California (Socal) has announced a surge in profits for 1979—a $700m increase to $1.79bn after tax, equal to $10.44 a share, against $6.38 a share previously.

The company reported that its U.S. petroleum earnings rose by 38 per cent to $646m, while its foreign petroleum earnings were 78 per cent higher at $950m. Foreign Exchange gains during the year contributed a further $80m to profits, compared with a $87m loss in 1978.

Sales revenues for the year rose by more than 29 per cent, from $24.6bn to $31.8bn.

In the fourth quarter the group's net income was 66 per cent higher at $524m, while sales increased by 44 per cent, from $6.8bn to $9.8bn.

Socal's earnings increase is in line in percentage terms with profit increases reported by the other major oil companies.

St. Joe Minerals stays ahead

BY OUR FINANCIAL STAFF

THE BROADLY-BASED natural resources producer, St. Joe Minerals, which is the biggest U.S. producer of lead, reports a net earnings advance for last year of 55 per cent to $77.59m or $3.46 per share compared with $2.22 in 1978 on revenues which rose to $1.15bn compared with $831.3m. Last year's results include a non-recurring write-off of $26.60m or $1.18 per share because of the shutdown of the Monaca zinc smelter. Fourth quarter earnings were $8.58m or 38 cents a share compared with $23.17m or $1.03 but the final quarter includes the $26.60m loss.

The company said that it expects earnings to be strong again this year. It said: "We plan to increase our capital expenditures over the $211m invested in 1979. Earnings from oil, gas and coal are expected to rise in 1980 and lead should have another good year, but probably not as good as 1979.

The company also said that an expected rise in shipments of gold-bearing ore from the El Indio mine in Chile could add significantly to the profit of its international operations in 1980. The mine will not be in regular production until 1981.

Asarco sees further recovery

NEW YORK—Asarco, the producer and refiner of copper, lead, zinc, silver and other metals, expects to report earnings for the fourth quarter of 1979 significantly higher than the $70.4m of the third quarter, Mr. Charles A. Barber, the chairman, said.

In the fourth quarter of 1978, Asarco earned $48.7m or $1.66 a share. Earnings in the first nine months of 1979 were $176.1m, or $5.78 a share, against only $766,000, or 3 cents a share a year earlier. It was reported yesterday that Asarco had raised its quarterly dividend to 35 cents, from 25 cents, and declared an extra dividend of 15 cents.

Asarco's recovery has enabled it to plan spending of $150m in 1980, after investing about $75m a year in 1978 and 1979.

AP-DJ

RCA pays $1.56bn for control of CIT

By Our Financial Staff

SHAREHOLDERS OF C.I.T. Financial (CIT) yesterday approved the acquisition of the company for $1.56bn by RCA Holdings Corporation, subsidiary of RCA Corporation. RCA has already bought 49 per cent of CIT's equity for $65 a share

CIT, the largest publicly-owned finance company in the U.S., also disclosed yesterday that earnings have turned down in the final quarter of the year—from $32.2m or $1.55 a share to $30.7m or $1.47. For the full year, however, earnings show a gain of 8.8 per cent to $107.3m, or $5.15 a share.

The company said that the figures exclude unrealised foreign exchange losses of $1.4m or 7 cents on the quarter against losses of $146,000 or 1 cent in the comparable quarter, and a similar gain of $1.6m or 7 cents on the year, against a loss of $11.9m or 58 cents

RCA shareholders were due to vote on the proposed acquisition at a special meeting later yesterday and Mr. Walter S. Holmes Jr., the CIT chairman, said the merger should be completed before the end of the day.

Steady close at Ogden

By Our Financial Staff

OGDEN, the diversified industrial company, announced that earnings for the final quarter of 1979 edged ahead from $13.3m, or $1.51 a share, to $13.7m, or $1.58 a share, on sales of $565.7m, against $498.2m.

This brings the full-year total to $57.5m, or $6.58 a share, compared with $54.3m, or $6.06 a share, last time. Sales of $2.2bn compare with $1.8bn.

U.S. QUARTERLIES

AMERICAN CAN	1979	1978
Fourth quarter	$	$
Revenue	1.16bn	1.06bn
Net profits	24.4m	28.6m
Net per share	1.23	1.44
Year		
Revenue	4.52bn	3.98bn
Net profits	127.3m	105.6m
Net per share	6.44	5.32

AMERICAN STANDARD	1979	1978
Fourth quarter	$	$
Revenue	657.4m	545.9m
Net profits	32.8m	23.0m
Net per share	2.36	1.64
Year		
Revenue	2.43bn	2.11bn
Net profits	132.2m	101.3m
Net per share	9.52	7.23

COX BROADCASTING	1979	1978
Fourth quarter	$	$
Revenue	78.0m	67.5m
Net profits	12.01m	10.35m
Net per share	1.78	1.55
Year		
Revenue	271.2m	230.4m
Net profits	43.77m	33.85m
Net per share	6.50	5.07

GAF	1979	1978
Fourth quarter	$	$
Revenue	324.9m	275.7m
Net profits	7.62m	11.36m
Net per share	0.50	0.78
Year		
Revenue	1.21bn	1.06bn
Net profits	28.18m	34.16m
Net per share	1.83	2.29

GREAT NORTHERN NEKOOSA	1979	1978
Fourth quarter	$	$
Revenue	309.8m	268.6m
Net profits	24.3m	22.3m
Net per share	1.55	1.42
Year		
Revenue	1.16bn	960.7m
Net profits	90.3m	66.5m
Net per share	5.65	4.23

HECLA MINING	1979	1978
Fourth quarter	$	$
Net profits	13.85m	3.27m
Net per share	1.92	0.47
Year		
Revenue	64.1m	31.7m
Net profits	35.15m	†96.82m
Net per share	4.89	†13.85

† Loss

HUYCK	1979	1978
Fourth quarter	$	$
Revenue	40.9m	35.7m
Net profits	2.75m	2.43m
Net per share	0.48	0.43
Year		
Revenue	143.0m	122.6m
Net profits	9.01m	7.53m
Net per share	1.58	1.32

KENNECOTT COPPER	1979	1978
Fourth quarter	$	$
Revenue	852.9m	524.6m
Net profits	52.5m	6.29m
Net per share	1.58	0.19
Year		
Revenue	2.4bn	1.9bn
Net profits	130.4m	5.01m
Net per share	3.93	0.15

OKLAHOMA NATURAL GAS	1979	1978
Four months	$	$
Revenue	245.3m	185.3m
Net profits	4.73m	5.56m
Net per share	0.44	0.53
Year		
Revenue	735.9m	642.5m
Net profits	31.67m	39.19m
Net per share	3.01	3.77

PITTSTON	1979	1978
Fourth quarter	$	$
Revenue	456.7m	430.4m
Net profits	14.98m	33.61m
Net per share	0.40	0.89
Year		
Revenue	1.65bn	1.34bn
Net profits	62.64m	25.21m
Net per share	1.67	0.67

PUROLATOR	1979	1978
Fourth quarter	$	$
Revenue	121.2m	103.2m
Net profits	3.76m	4.03m
Net per share	0.85	0.88
Year		
Revenue	473.1m	397.8m
Net profits	17.31m	14.94m
Net per share	3.85	3.26

STEEL CO. OF CANADA	1979	1978
Year	C$	C$
Revenue	2.09bn	1.77bn
Net profits	156.9m	111.9m
Net per share	5.74	4.07

Uranium litigation costs Westinghouse $405m

BY OUR FINANCIAL STAFF

WESTINGHOUSE Electric, the second largest manufacturer of electrical equipment in the U.S. and the leader in nuclear power equipment, achieved higher profits last year before providing for extraordinary losses from uranium litigation.

Net earnings for 1979 amounted to $331.1m, equal to $3.85 a share. The losses, however, amounted to $405m, equal to $4.72 a share, leaving the group with a net loss of $73.9m, or 87 cents a share. In 1978, earnings totalled $311.3m or $3.59 a share before the extraordinary uranium-related losses and $243.4m or $2.81 a share after.

The $405m loss includes the estimated cost of settling in 1979 eight previously announced uranium supply lawsuits and also takes in a special provision of $118.1m to cover remaining uranium-related litigation.

Mr. Robert E. Kirby, chairman of the group, said Westinghouse has now accounted for the estimated cost of settling 14 of 17 lawsuits brought by electric utilities in 1975

Meanwhile, the quarterly dividend is being raised from 24.3 cents to 35 cents a share—the first increase in seven years.

DM200m issue for Australia

BY FRANCIS GHILÈS

A DM 200m public bond offering for the Commonwealth of Australia was launched yesterday through Deutsche Bank. The issue has a bullet maturity of ten years and an indicated coupon of 8¾ per cent. With pricing expected at par, the investor would be getting a yield of 8.12 per cent. A further DM 200m in issue—by a private placement—is expected for this borrower next month.

Such a yield from a prime quality borrower underlines the rise in yields which is currently the dominant feature of the German Eurobond market.

It is also a feature of German domestic bond sector. The ten-year DM 300m issue for the City of Hamburg, launched earlier this week with a coupon of 8 per cent, is currently trading on a yield of 8.19 per cent. Furthermore, West Germany's Ministry of Finance has just raised DM 2.5bn worth of Schuldschein notes for four, eight and ten years which carry coupons of 8¾ per cent. An eight-ten year DM [illegible]00m domestic issue launched yesterday for the German Federal Post Office, carries identical terms.

These figures suggest that if, as expected, a Latin American borrower comes to the foreign DM market later this month, it will have to agree to a coupon of 8¾-9 per cent to attract investor support.

In secondary market trading yesterday, prices of foreign DM bonds eased about ¼ of a point.

Secondary market prices in the sterling sector posted falls of ½ of a point across the board. The £50m ten-year public issue for Citicorp, with a coupon of 13¼ per cent and priced at par, was quoted in the market at 96-97 to yield 14.18 per cent, which is an average of 37 basis points above yields on older sterling bonds.

The NKr 100m ten-year issue for the City of Oslo, which has a coupon of 10¼ per cent for ten years, was priced at par by the lead manager, Sparebanken Oslo, yesterday. The managers said the book was comfortably covered and allotments are being sent out today.

Prices of straight dollar bonds were unchanged despite the strength of the U.S. currency. Some dealers are convinced that if the market attempts to rally at this stage, a fair amount of selling would ensue.

The $25m 15-year convertible for Sankyo Electric which has a coupon of 8¾ per cent, started trading yesterday and closed at 97½-98½.

Prices of Swiss franc bonds moved up by ⅜ of a point. Caisse Centrale de Cooperation Economique is arranging a SwFr 100m ten-year bond through Credit Suisse. The borrower is paying a coupon of 5¾ per cent and the issue is expected to be priced at 99¼.

Chicago Board of Trade proposals to open a futures market in London dollar certificates of deposit have been placed before the Commodities Futures Trading Commission in Washington. DUNCAN CAMPBELL-SMITH writes on Page 26.

FT INTERNATIONAL BOND SERVICE

The list shows the 200 latest international bond issues for which an adequate secondary market exists. For further details of these or other bonds see the complete list of Eurobond prices published on the second Monday of each month.

Closing prices on January 31

U.S. DOLLAR STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Alcoa of Australia 10 89	60	85⅝	86⅛	+0⅛	−2⅝	12.63
Alex Howden XW 9½ 91	30	76	77	0	−1¼	13.78
Aquitaine Can. 11¼ 85	30	93⅜	93⅞	−0⅛	−1⅛	13.07
Australian Res. 9⅞ 84...	30	89	89½	+0¼	−1⅜	12.87
Avco O/S Cap. 10¾ 87	40	78½	79	+0¼	−1⅞	15.24
Beneficial Fin. 9¾ 87 ...	100	85⅞	86⅜	+0⅛	−1⅜	12.71
CECA Grad. Rate 12 86	100	94¼	94¾	−0⅛	−1⅜	13.25
CECA 9¾ 99	125	†77¼	77¾	+0¼	−1½	13.36
Canadian Pacific 9¾ 89	50	85	85½	+0⅛	−1⅜	12.50
Carter Hawley 9¾ 86 ...	50	85¾	86¼	+0⅛	−1⅞	13.07
Comalco Inv. E. 10¾ 91	40	86⅞	87⅛	−0⅛	−1⅞	12.43
Continental Grp. 9⅝ 86	100	85¾	86¼	−0½	−2¾	12.93
Dome Petroleum 10 94	50	82½	83	−0⅛	−2½	12.63
Dominion Bridge 10¾ 84	30	90¼	90¾	−0⅛	−2⅜	13.20
EIB 11¾ 92	80	90½	91	+0⅛	−2⅞	13.33
EIB 10 99	150	80⅝	81⅛	0	−2½	13.07
EIB 10⅛ 87	100	88⅛	88⅝	0	−1⅜	13.04
EIB 10.15 99	100	81⅞	82⅜	−0⅛	−2½	13.07
Ekportfin 11⅛ 87	50	93⅛	93⅝	−0⅛	−2	12.74
Export Dv. Cpn. 9¼ 84	100	90⅛	90⅝	+0⅛	−0½	12.38
Export Dv. Cpn. 9¾ 84	150	91	91½	+0⅛	−1⅜	12.32
Finland 9⅜ 89	100	84⅜	84⅞	0	−2	12.85
GTE Finance 9¾ 89 ...	55	85	85½	−1¼	−3⅛	12.47
GMAC 9¼ 86	100	85⅞	86⅜	+0⅛	−1½	12.61
GMAC O/S Fin. 11 84	100	95	95½	+0⅜	−1⅜	12.33
Gould Int. Fin. 9⅞ 85...	50	88¼	88¾	−0⅛	−2⅜	12.96
ITT Antilles 9½ 89	75	83½	84	+0⅛	−1½	12.55
Kennecott Int. 9½ 86...	100	83¾	84¼	−0⅛	−1⅜	13.39
Manitoba 9½ 89	75	82¼	82¾	−0⅛	−2⅜	12.85
Michelin 10 94	125	84¼	84¾	+0¼	−2¼	12.32
Nat. Des. Telecm. 9½ 86	100	87⅜	87⅞	0	−1½	12.45
New Brunswick 9¾ 94	75	80½	81	0	−3¼	12.75
Newfoundland 10 94 ...	50	82½	83	−0⅛	−3	12.67
Norges Komm. 9⅞ 98...	100	81⅛	81⅝	+0⅛	−3⅛	12.81
Norway 9½ 84	150	90¼	90¾	0	−1	12.48
Nova Scotia Pwr. 9¾ 89	50	83⅜	83⅞	+0⅛	−2½	12.84
Occidental Fin. 10¾ 84	50	91⅞	92⅜	+0¼	−1⅞	12.68
Orient Leasing 9½ 86 ...	25	86½	87	−0⅛	−1⅜	12.60
Pennwalt O/S F. 9¾ 84	25	89¾	90¼	+0¼	−1½	12.86
Pepsico Cap. 9⅛ 84 ...	100	90½	91	0	−1⅛	12.25
Quebec Hydro 10 99 ...	75	79⅜	79⅞	+0⅛	−3½	12.89
Sears Roebuck 9 82 ...	150	93⅜	93⅞	+0⅛	−0⅜	12.89
Statoil 9⅞ 89	100	84	84½	−0⅛	−2⅜	12.53
Sweden 9¾ 89	100	84	84½	−0⅛	−2⅞	12.72
Sweden 9½ 86	200	87¾	88¼	+0⅛	−2⅜	12.66
Sweden 9⅜ 84	100	90⅞	91⅜	+0⅛	−1⅞	12.38
Unilever NV 9¼ 87	100	85½	86	0	−1⅜	12.25
Warner-Lambert 9 84 ...	100	89	89½	−0½	−1⅜	12.26

Average price changes... On day 0 on week −1⅞

DEUTSCHE MARK STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
African Dev. Bk. 8 87...	100	97¾	98¼	0	−0¼	8.35
Argentina 7½ 89	150	90⅞	91⅜	0	0	8.92
Asian Dev. Bk. 7¾ 89...	100	92	92½	−0⅛	−0⅝	8.44
Barclays O'seas 6¾ 89	100	90⅝	91⅛	+0¼	−0⅜	8.17
Brazil 8 87	150	92⅞	93½	−0⅞	−1⅞	9.30
CECA 7 91	150	91½	92⅞	−0½	−1⅞	8.74
Council of Eur. 7¾ 89...	100	94¼	95	+0⅛	−0½	8.09
EEC 7⅞ 84	225	96⅝	97⅛	−0½	−0¾	8.23
EIB 7½ 89	200	94⅝	95⅛	−0½	−2⅜	8.28
Finland, Rep. of 8 86...	150	98¾	99½	0	−0¾	8.16
Kobe, City of 7⅛ 89 ...	150	95	95½	−0¼	−1⅜	7.82
Mitsubishi Chem. 6½ 84	70	94⅝	95⅛	−1	−2	7.92
Neder. Gasunie 8 86...	100	102	102½	−0⅜	−0½	7.56
New Zealand 7⅛ 87 ...	200	94⅞	95½	−0⅛	−1⅛	7.99
Nippon Kokan 6½ 84 ..	100	93⅝	94⅛	0	−0⅜	8.25
Nippon Tel. & T. 5½ 87	100	86	86¼	+0¼	−0⅛	8.13
Norges Komm. 7⅛ 91...	150	97¼	98½	−0⅛	−1	8.00
Norges Komm. 8¼ 94...	150	†100¼	101⅛	0	−0½	8.16
Norway 6¾ 84	200	94⅞	95⅜	+0⅛	−1½	7.69
OKB 6 87	40	88	89	0	0	8.23
OKB 7⅛ 89	100	95⅜	96⅛	−0⅛	−0⅜	8.01
Tokyo Elec. Pwr. 6½ 85	200	93⅛	93⅞	0	−0¼	8.06
World Bank 7⅜ 91	400	95⅞	96	+0⅛	−0⅞	8.35
World Bank 7⅞ 90	250	96⅝	97⅜	−0½	−0¾	8.33

Average price changes... On day −0⅛ on week −0⅞

SWISS FRANC STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Argentina 5½ 89	80	93	93½	+0⅛	+0⅛	6.47
Aumar 5 89	60	91	91½	+3	+2	6.25
Australia 3⅞ 89	250	87¼	88¼	−1⅜	−3½	5.35
Bergen, City of 4¾ 91...	40	92⅞	93⅜	−0⅛	−2⅜	5.56
BNDE 5 89	75	82	82½	+1½	−0⅛	7.70
BMW Overseas 4¾ 91...	100	91	91½	+0⅞	−0⅛	5.27
Caisse Nat. Tels. 4¾ 89	100	89¼	90	+0⅛	−0⅛	5.78
Canada 3⅝ 89	300	89	89½	+1½	−1⅞	5.13
Copenhagen 4½ 91	60	88½	89	+0⅞	−3	5.85
Council of Eur. 5 89 ...	100	91½	91⅞	+0⅛	−4	6.22
EIB 4½ 91	100	85½	86	+0½	−1	6.28
EIB 4¾ 94	100	84⅜	84⅞	+0⅛	+1½	5.87
Elet. de France 4¾ 89...	100	90	90½	0	−1¼	5.73
GZB 4⅝ 89	100	85¼	85½	+0⅛	−2⅜	6.30
Hilti 4½ 91	35	94¼	94¾	0	−0⅛	4.87
ICI Fin. NV 3½ 94	230	77¼	78	−0⅛	−1⅞	5.87
Int.-Amer. Dev. 4½ 89	100	89¾	90½	−0⅛	+0¼	5.88
Malaysia 5 89	80	85½	86½	+0⅛	0	7.04
Nippon Tel. & T. 4⅝ 89	100	88½	89	+2½	+0½	5.80
Nordic Bank 5 89	45	93⅛	94¼	+0⅛	−0⅜	6.84
Norges Komm. 4½ 91...	100	86¼	86½	+0½	−1⅞	6.03
OKB 3¾ 91	100	83¾	84¼	+0⅛	+1⅞	5.73
OKB 4⅛ 91	100	85	85¼	0	−2½	6.20
Oslo, City of 4⅛ 91 ...	100	85	85⅜	0	−1⅞	6.19
Shikoku El. Pwr. 4⅜ 89	100	94½	95⅛	−0⅛	+1⅛	5.45
Spain 4 91	100	86¼	87	+0⅜	−0⅛	5.85
Steweag 4⅜ 91	80	90¾	91½	−0⅛	+0⅛	5.83
Voest-Alpine 4⅜ 89	90	92⅞	93⅛	+1⅛	+2⅜	5.74
World Bank 4⅜ 89	100	96⅝	97⅛	+0⅛	+0⅛	5.03
World Bank 4⅛ 89	150	91	91¼	+0⅛	+0⅛	5.59
World Bank 4⅜ 91	100	90⅞	91⅛	+0½	+0⅛	5.69

Average price changes.. On day +0⅛ on week −0⅛

YEN STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Australia 5.6 83	30	89⅜	90⅜	−0⅛	−0⅜	8.82
Australia 6½ 88	20	85⅜	86⅜	0	−0⅛	9.03
EIB 7¼ 89	12	97½	98½	−0⅛	−0⅛	8.05
Finland 5.6 83	10	89⅜	90⅜	0	+0¼	8.91
Finland 6.8 88	10	87½	88½	+0⅛	+0¼	8.96

Average price changes. On day −0⅛ on week −0⅛

OTHER STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Avco Fin. 10¼ 86 C$	25	85½	85⅞	0	−2¼	13.81
Bell Canada 10¼ 86 C$	60	89⅞	90⅞	−0⅛	−2	12.99
Cr. Foncier 10⅛ 84 C$	30	90	90½	+0⅛	−0⅜	13.29
Ex. Dev. Cpn. 10 84 C$	60	90⅝	91⅛	−0⅛	−1¼	12.86
Fst. Can. Inv. 10 84 C$	50	88⅞	89⅜	−0⅛	−1⅛	13.46
Hudson Bay 10½ 89 C$	60	86	86½	−0¼	−2⅜	13.14
Quebec 10¼ 86 C$	50	88⅞	89⅜	−0⅛	−1½	12.84
R. Bk. Canada 10 86 C$	40	89	89½	−0⅛	−1⅞	12.54
R. Bk. Canada 10 94 C$	40	83⅞	84⅜	−0¼	−0⅜	12.41
Copenhagen 8¾ 91 EUA	20	98¼	99¼	0	0	8.84
M. Bk. Dnmk. 9 91 EUA	25	95¾	96¾	0	0	9.53
SOFTE 8¾ 89 EUA	40	88	89	−0¼	−0½	10.23
Algemene Bk. 8⅞ 84 Fl	75	97¼	97¾	0	−0¼	8.91
Ned. Gasunie 8¾ 84 Fl	50	98¼	98¾	−0⅛	−0¼	9.15
Ned. Middbk. 8¼ 84 Fl	75	96¾	97¼	0	0	9.13
Norway 8¾ 84 Fl	100	96	96½	0	0	9.36
Norway 8¾ 84 Fl	100	96	96½	0	0	9.25
Philips Lamps 8¾ 84 Fl	75	96½	97	+0¼	−0⅛	9.26
Air France 11 84 FFr ...	120	97	98	−0⅛	−0⅜	11.69
Euratom 9¾ 87 FFr	150	85¾	86½	0	0	12.74
Finland 11 84 FFr	80	95	96	0	0	12.28
Finland 11½ 89 FFr	70	94⅛	95⅛	0	−0¼	12.46
Gaz de France 11 84 FFr	150	97	98	0	−0⅛	11.68
IBM France 11⅞ 84 FFr	120	96½	97	0	−0½	12.79
Renault 9⅞ 85 FFr	100	88⅝	89⅝	+0¼	0	12.60
Saint-Gobain 9¾ 86 FFr	[illegible]	85⅝	86⅝	0	+0⅛	13.09
Solvay et Cie 9¾ 87 FFr	[illegible]	83⅛	84⅛	0	−0⅛	13.41
Total Oil 9⅜ 87 FFr	150	83	84	0	+0⅛	13.06
EIB 11½ 91 £	25	86⅛	87⅛	−0⅛	−1	13.87
Finance for Ind. 13 91 £	15	95⅜	96½	−0⅛	−0⅛	13.68
Fin. for Ind. 12½ 89 £...	30	92⅝	93⅝	−0⅛	−1⅜	13.84
Gen. Elec. Co. 12½ 89 £	50	92⅞	93⅜	−0¼	−1½	13.83
Indonesia 8¾ 91 KD ...	7	†92⅞	93⅞	0	0	9.7
Mitsubishi 7½ 84 KD ...	10	†95⅜	95⅞	0	0	8.8
Norges Kom. 7½ 89 KD	12	†93⅜	93⅞	0	0	8.51
Occidental 8¾ 91 KD ...	7	†90¼	90¾	0	0	9.6
Akzo 9¼ 87 LuxFr	500	94⅞	95⅞	0	0	10.1
Euratom 8 87 LuxFr ...	500	90⅜	91⅜	−0⅛	−0½	9.8
Euratom 9⅜ 88 LuxFr ..	500	99	100	0	−0⅛	9.8
Oslo, City of 8 89 LuxFr	[illegible]	90½	91½	0	0	9.5
Volvo 9¼ 87 LuxFr	500	98¼	99¼	0	+0¼	10.0

FLOATING RATE NOTES	Spread	Bid	Offer	C.dte	C.cpn	C.yld
Allied Irish Bk. 5¼ 87...	0¼	97¾	98¼	2/7	15⅛	15.4
Banco di Roma Int. 6 87	[illegible]	99½	100	26/4	15¾	15.7
Banco Urquijo 6 86	0¼	97¾	98¼	21/3	13⅞	13.8
Bank of Ireland 5¾ 89 ..	‡0¼	97⅞	97⅞	21/2	15.69	16.0
Bank of Tokyo 5¾ 89 ...	‡0⅛	97⅝	98⅛	25/4	14.66	14.8
Barclays O/S Inv. 5 90	0¼	97	97½	13/6	14¼	14.6
Bergen Bk. A/S 6 88 ...	‡0¼	96⅞	97⅜	29/2	14.31	14.7
Bque. Indo Suez 5¼ 89	0¼	98⅛	98⅝	11/7	14.69	14.9
Citicorp O/S F. 6 94 ...	‡0¼	98⅞	99⅜	8/3	14.44	14.6
Citicorp O/S F. 83 ...	§‡0	99⅝	100⅛	23/2	15⅛	15.1
Citicorp O/S F. 84	‡0	98⅞	99⅞	29/2	14⅝	14.6
Co-operative Bk. 6 86...	0¼	97¾	98¼	15/5	15.06	15.
Creditanstalt 6½ 91	§‡0¼	98¼	98¾	14/3	14⅞	15.1
CNT 5⅞ 86	§0¼	99½	100	16/4	15.19	15.2
GZB 5½ 89	‡0¼	98⅛	98⅞	1/2	16.19	16.
Jugobanka 8 89	0⅜	91⅞	92¼	23/5	16	17.
Ind. Bank Japan 5⅞ 87	0¼	97⅛	97⅝	15/4	14⅛	14.
LTCB Japan 5⅞ 86	0¼	97½	98	13/6	14¾	14.
LTCB Japan 5½ 89	0¼	97⅛	97⅝	7/6	14.19	14.
Mfrs. Han. O/S 5⅞ 94...	‡0⅛	98½	98⅞	29/2	13.81	14.
Midland Intl. Fin. 5 89	0¼	99⅝	100⅛	20/6	15	15.
Nacional Fin. 6¾ 88 ...	0¼	97⅝	98¼	25/7	14.69	14.
Nat. West. 5⅞ 94	§0¼	97⅞	98⅛	11/4	14.94	15.
Nippon Cred. Bk. 6½ 88	0⅜	97¼	97¾	12/7	14.44	14.
Royal Bk. Scot. 5⅞ 94	§‡0¼	98⅜	98⅞	11/4	14⅝	14.
Soc. C. de Bque. 6½ 87	0¼	96⅛	96⅞	3/4	13¼	13.
Sogenal 5⅞ 89	§0¼	96⅝	97⅛	13/7	14.44	14.
Sweden 6¾ 91	‡0¼	97¼	97¾	18/4	14.44	14.
TVO Pwr. 9 91 (D-lock)	0¼	97⅞	98⅛	24/5	15.31	15.
Williams & Glyn 5¾ 91	0¼	96⅞	97⅜	14/3	13	13.
Bq. E. d'Alg. 4¾ 89 SF	0⅜	93	93½	18/8	6.69	7.

Average price changes . On day 0 on week 0

CONVERTIBLE BONDS	Cnv. date	Cnv. price	Bid	Offer	Chg. day	Pre
AGA Akt'bolag 7¾ 89...	10/79	145	107	108	0	−7.
Alco Int. Fin. 9½ 94 ...	1/80	40	95⅝	96½	0	14.
Asahi Optical 7 94	11/79	605	91⅞	92⅜	−0⅛	11.
Canon 6⅜ 94	8/79	570	102½	103⅛	+0⅛	2.
Ciba-Geigy O/S F. 4 94	9/79	676	†88	89	+0½	3.
Credit Suisse 4¾ 93 ...	10/79	1325	110¼	111½	−0⅛	−0
Daiei Inc. 6½ 94	11/79	1020	96⅝	97⅞	−0⅛	7
Esselte 7¾ 89	9/79	159	92	94	0	−4
Honda Motor 5½ 89	5/79	532	102½	103¼	0	5.
LPC Internatnl. 8 89	9/79	35	109	110	+0½	−0
Meidensha Elec. 7 94...	12/79	210	93⅝	94⅝	+0⅛	24
Mitsubishi Cp. 6½ 94...	10/79	604	124⅝	125⅝	−1⅜	8
Nippon Seiko 7¾ 94 ...	12/79	339	94	95	+0½	−3
Nitto Elec. Ind. 6 94 ..	7/79	735	80½	81½	−0¼	11
Toshiba Cpn. 7¾ 94 ...	10/79	198	98¼	99¾	+0¼	4
Union Bk. Switz. 5 89..	2/80	125	111	112	+0¼	4
Fujitsu 5 84 DM	7/79	475	97⅜	98⅜	−0¼	20
Kansai Elec. 4 84 DM...	4/79	1234	84½	85⅛	−1	49
Tokyu Ld. Cp. 4 86 DM	4/79	493	78⅝	79⅝	+0¼	38
Uny Co. 6½ 85 DM ..	11/79	1071	94⅞	95⅞	+0⅜	12

* No information available—previous day's price.

† Only one market maker supplied a price.

Straight Bonds: The yield is the yield to redemption of mid-price; the amount issued is in millions of currer units except for Yen bonds where it is in billio Change on week = Change over price a week earlier.

Floating Rate Notes: Denominated in dollars unless oth wise indicated. Coupon shown is minimum. C.dte = D next coupon becomes effective. Spread = Margin abo six-month offered rate (‡ three-month; § above me rate) for U.S. dollars. C.cpn = The current coup C.yld = The current yield.

Convertible Bonds: Denominated in dollars unless oth wise indicated. Chg. day = Change on day. Cnv. dat First date for conversion into shares. Cnv. pric Nominal amount of bond per share expressed currency of share at conversion rate fixed at iss Prem = Percentage premium of the current effective p of acquiring shares via the bond over the most rec price of the shares.

Petrofina profits mask slowdown

By Our Financial Staff

PETROFINA, the Belgian oil group, reports sharply higher profits for 1979, and is increasing its dividend by more than a fifth.

At the net level earnings have risen by 37 per cent to BFrs 8.8bn ($294m) from BFrs 6.04bn, and the payment to shareholders is going up to BFrs 230 a share from BFrs 190.

The result masks a considerable slowdown in the rate of growth during the second half of the year, however. Net income rose by 76 per cent over the opening six months, but could manage a gain of only 14 per cent from June onwards.

When reporting interim results in July, Petrofina said profits growth would have been higher if the company had not switched to LIFO (last in first out) accounting. The change had lopped something like BFrs 2.8bn off the overall earnings total.

The company also announced yesterday that its capital spending in 1980 would be broadly maintained at the level of 1979, when it was BFrs 18.5bn.

In 1978 group net profits were 8 per cent higher following a gain of little more than 5 per cent in sales and other revenues. The year's production of crude rose to 7.95m tonnes from 7.1m.

Eaton French unit fails

By Our Financial Staff

EATON MANIL has been declared bankrupt by a French commercial court. Eaton Manil a subsidiary of the Eaton Corporation of the U.S., operates a foundry at Vivier-au-Court, in Northern France, and employs 560 workers. It produces molded parts used in the auto industry and in the manufacture of household appliances.

The company's chairman and director general resigned earlier this month and a receiver was appointed. Eaton Manil's accumulated losses are estimated at FFr 40m ($10m). Eaton Corp. has established reserves arising from the liquidation of the French unit.

ENASA-INTERNATIONAL HARVESTER

A European springboard for the 'eighties

BY ROBERT GRAHAM IN MADRID

THE MOVE by International Harvester to buy 35 per cent of Spain's major industrial vehicle manufacturer, ENASA, underlines the importance of Spain in the European automotive industry of the 1980s.

It also marks the virtual end of Spanish control of its own automotive industry. In the past year agreement has been reached for Fiat to acquire control of the main car producer, SEAT, while only 10 days' ago Nissan bought into Motor Iberica, the agricultural machinery and light truck manufacturer.

All this is part of the build-up to Spain's entry into the Common Market. Multinational companies are gearing up to use Spain as the production base, and the Spanish Government, through its State holding company, INI, is divesting to ensure access to technology and markets, to guarantee jobs.

In 1972, British Leyland, as it was then, sold its 25 per cent stake in ENASA, making it a purely Spanish company. (ENASA still, however, pays an annual £244,000 in royalties to BL.) INI, owning 67 per cent of the equity, sought to develop the company but ran up against problems in finding export markets, adequate technology and, latterly, through high production costs and a slump in the domestic market.

By 1978 it had become one of the most troubled companies in the INI fold. To secure its future, contacts began in the autumn of 1978 to find a multinational partner.

International Harvester did not appear as a serious buyer until last August. INI had discarded the idea of forming a large holding company and grouping it with the two remaining Spanish manufacturers, Motor Iberica and Mevosa. But right up until two weks' ago, INI was still keen on creating a company with NISSAN that included ENASA and Motor Iberica.

INI officials say that this latter scheme foundered at the last minute because:

(1) Motor Iberica wanted to retain majority control of the new company leaving INI only 12 per cent;
substantial technological base

(2) Because Nissan had no in the heavy vehicle sector.

As a result, Motor Iberica went ahead on its own with Nissan, approving its purchase of Massey Ferguson's existing 36 per cent stake in the company. This, in turn, led to a discussion with International Harvester to tie up a deal over ENASA.

> **The deal between the two companies is based on a series of mutual trade-offs. At the same time it commits the American company to a fairly substantial programme of capital spending.**

The deal is a complicated one based on a series of mutual trade-offs, and while International Harvester is committed to big new investments, the cash transaction for its 35 per cent stake is nominal. INI will begin by buying out the other ENASA shareholders, five banks which control 9 per cent of the company. Owning 100 per cent of the company, INI will then sell 35 per cent to International Harvester for an as yet undetermined but almost certainly nominal sum. INI has further undertaken to cover all ENASA losses through to 1982. Losses in 1979 topped $10m, and this year could be as bad—due to slack demand, stocks are currently worth $105m, equal to 20 per cent of annual production.

INI hopes, through shedding some 3,000 of its 11,570 workforce, to reduce operating losses. The Government is expected to assist with new soft credit and export aids.

In return, International Harvester will provide management, technical services and technology to the company immediately, as well as link up its distribution network. More importantly, International Harvester will build in Madrid a $100m engine plant through a new company owned 65.35 with INI. The plant will have a capacity of 100,000 units, 70,000 of them D-466s and 30,000 B-4s.

Roughly 80 per cent of this production will be geared for export. This major investment will offset some of the consequences of ENASA's initial labour shedding, since eventual employment here in 1984 could be over 2,500. The question of absorbing ENASA's excess labour has been a major difficullabour has been a major difficulty in finalising the deal. The sensitive political question of ENASA's military vehicle side (armoured cars) was solved by hiving off this to its subsidiary, Santa Barbara.

It is assumed that the Government will provide favourable loans to International Harvester for the engine plant, although this has not yet been worked out. At the same time, INI has been able to preserve at least an image of a degree of Spanish control.

KLM trades in deficit during third quarter

BY MICHAEL VAN OS IN AMSTERDAM

NET LOSSES of KLM Royal Dutch Airlines have risen to Fl 11.9m ($6.2m) in the third quarter of the financial year ending March 31. This compares with the loss of Fl 9.8m a year earlier.

The result leaves the net profit for the first nine months of the year at Fl 80.1m, compared to Fl 143.2m.

KLM's third quarter operating revenue amounted to Fl 809.4m, which was up 17.7 per cent, bringing the nine months' figure up to Fl 2.47bn (up 11.9 per cent). Operating expenses, including depreciation, were up to Fl 817.9m (up 16.8 per cent) and to Fl 2.39bn (up 15.9 per cent), respectively.

The company's statement shows that the third quarter net loss per share was up to Fl 3.93 from Fl 3.46, bringing the nine month profit down to Fl 17.27 from Fl 33.67.

The airline said that ton-mile capacity and ton-mile traffic had risen by 10 per cent compared with the same quarter the year before. The load factor was surcharged at 59.9 per cent. Passenger traffic on scheduled services rose by 11 per cent, cargo traffic by 9 per cent, and charter traffic by 6 per cent

Because of the time lag, the impact of airline fares and rates increases, these only partly compensated for the continuing rise in fuel prices.

Profits on the sale of flight equipment and the like during the third quarter brought in Fl 4.7m, whereas there was no such credit item in 1978. The balance of revenue and other expenses, however, showed a loss of Fl 0.4m, compared to a profit of Fl 1.8m.

Pledge on fund-raising for Negev Desert plan

Some 400 American, Canadian and European Jewish leaders have undertaken to raise $1bn to develop Israel's Negev Desert, reports Reuter from Paris.

Alitalia slips back into losses

BY PAUL BETTS IN ROME

ALITALIA, the Italian national airline, will report a loss for 1979 compared to profits of Lire 14bn ($17.3m) and Lire 11bn during the two previous years, Sig Luciano Sartoretti, the company's managing director, said in Rome yesterday.

But Sig. Sartoretti said the loss, largely the result of acute labour problems and the temporary suspension of DC-10 operations, was not expected to interrupt Alitalia's ambitious 1980-83 financial and economic programme.

Alitalia was able to operate for only 10 out of 12 months in 1979. Company traffic revenues only increased from Lire 851bn in 1978 to Lire 889bn last year, despite worldwide traffic growth and sharply increased tariffs.

Alitalia's loss was not expected to be as high as the losses during 1974-1976, when the company lost on average Lire 42bn a year. Since 1977, the airline has undertaken a major financial recovery programme, which brought the company back into profitability in 1977 and 1978.

The 1979 loss would be contained in large measure because Alitalia had not distributed a dividend last year for the total L14bn profit of 1978, but had set aside some L10bn as reserves, said Sig. Sartoretti.

The company's financial and economic programme envisages increased traffic revenues of L1,316bn, L1,563bn, L1,889bn and L2,233bn in 1980-83 repectively.

Net fixed assets after depreciation, which totalled L413bn last year, are expected to grow to L725bn this year and subsequently to L1,018bn, L1,062bn and L1,080bn in the following three years.

The sharp rise in net fixed assets is largely due to Alitalia's substantial capital expenditure projects for the next four years. These are expected to total L1,180bn for the overall 1980-83 period, including L408bn this year.

The capital expenditure programme is largely aimed at expanding Alitalia's fleet with five new Boeing B727/200 aircraft, eight A300 airbuses, five Boeing B747-combis, and three Boeing 747s. Alitalia has additional options for three B727s, three airbuses and one B747.

With loan repayments of some L224bn, Alitalia's total financial requirements for 1980-83 are L1,404bn.

Sig. Sartoretti said the capital expenditure programme would be financed by additional loans of some L588bn, and increases in Alitalia's share capital from the present L78bn to L160bn this year, L200bn next year and L240bn in 1982. These capital increases are expected to be virtually wholly subscribed by Alitalia's parent company, the giant Italian state holding IRI.

Sig. Sartoretti said Alitalia was now involved in advanced negotiations with the U.S. Eximbank for a 10-year $460m loan, which would probably carry an interest rate below 9 per cent. Alitalia was recently granted a European Investment Bank loan of $170m, of which it had already received a first tranche of some $35m. Alitalia's financial liabilities at the end of last year totalled L129bn.

BMW confident for the decade after expansion last year

BY ROGER BOYES IN MUNICH

WEST GERMAN high-performance car manufacturers Bayerische Motoren Werke (BMW) reports strong sales growth for 1979 and seems confident that it will maintain its market position during the 1980s despite the difficulties facing the country's motor industry.

Herr Eberhard von Kuenheim, BMW's chief executive, made it clear that the company is continuing to experience strong demand. The parent company's domestic sale rose by 9.3 per cent to DM 3.4bn ($1.95bn), and export sales rose by 11 per cent to DM 3.15bn. Profits too are expected to show a healthy increase when the company releases figures later this year.

BMW executives maintain that the company has consistently performed better than the rest of the industry over the past five years. As a result, although domestic demand for German cars is expected to drop by about 10 per cent this year, BMW is convinced that its own sales will remain substantially unaffected.

Herr von Kuenheim is the first to admit that uncertainty in the international political situation could upset the picture — another event similar to the invasion of Afghanistan, large increases in the price of oil or a sharp fall in the dollar could all damage the projections.

But BMW's confidence rests on three main pillars. In the first place it has been active in persuading customers that large models—the so-called "7" and "6" models—are not hopelessly uneconomic. The company has ensured that all of the larger models now have direct-injection engines which, with other modifications, save about 7 per cent of energy costs.

At the same time, BMW has been building up its network of foreign subsidiaries and has taken over its own importing and distribution in 10 countries.

The third prong of the BMW strategy in the 1980s is a heavy investment programme with a view towards expanding capacity at least until the mid-1980s, renewing its range (although no new model is planned for this year), and modernising production. Some DM 4bn is to be invested over the next three to four years.

West German companies announce rights issues

BY GUY HAWTIN IN FRANKFURT

TWO MAJOR West German industrial companies announced rights issues yesterday. Linde, the Wiesbaden-based plant, engineering and construction group, is seeking DM136m ($78.4m), while Degussa, the Frankfurt-based chemicals and metals concern, plans to raise DM72m ($41m).

At the same time as yesterday's announcement, Linde reported that the management is recommending an increased dividend to the May 20 annual meeting. The proposed payout is up from last year's 16 per cent to 18 per cent.

Although the management is proposing a dividend of DM9 per DM50 nominal share compared with 1978's DM8 a share, the 1978 dividend was paid in addition to a jubilee bonus of DM1.50. Therefore holders will be receiving 50 pfennig a share less than last year.

A consortium of banks, led by the Deutsche Bank, is underwriting the issue, which will increase Linde's nominal capital by DM 40m to DM 180m. The new shares carry rights to hte 1980 dividend, and are being offered to holders at the ratio of two-or-seven. There was no announcement of when the placement would be made.

The announcement of Degussa's rights issue, one-for-six at DM 100 per DM 50 share, was accompanied by news of an unchanged dividend of DM 8.50 for the year to September 30, 1979. Shareholders paying West German tax will receive a tax credit of DM 4.78 per share in addition to the cash dividend.

INTEREST RATE FUTURES

Chicago heads for London

BY DUNCAN CAMPBELL-SMITH

THE Chicago Board of Trade (CBOT) has presented a submission on its proposal to open a futures market in London dollar certificates of deposit (CD) to the Commodities Futures Trading Commission in Washington for its approval.

It will come as a surprise to many participants in the London market that the CBOT has progressed so far. After months of analysis and field work, the CBOT is clearly confident about the prospects for a futures market in London CDs. The CBOT will be actively pursuing its plans to establish the market while awaiting the official go-ahead.

Hedging positions

U.S. financial futures provide for the recipt or delivery at a fixed future date of paper bearing a yield which is decided at the time of the contractual agreement. They are used by speculators hoping to anticipate interest rate movements to their advantage and by commercial institutions wishing to hedge long or short positions in financial securities.

Available futures today cover U.S. Treasury bonds, notes and bills, Ginnie Mae bonds and U.S. commercial paper. Purchases and sales of futures contracts are arranged on several U.S. exchanges and the daily turnover volume has grown so rapidly that in some cases it now surpasses the volume of the underlying cash market.

London dollar CDs are issued in London by most leading banks in the Euromarket, but particularly by the London branches of U.S. banks, both regional and money centre. Similarly, the market for the paper is international but heavily dominated by U.S. corporate and institutional purchasers. The CDs provide the same liquidity advantages as New York CDs, but offer a higher yield. This is attributed broadly to the funds raised in London being free of reserve requirements. The yields also reflect branch banks, the mainstay of the London market, having lower credit ratings than their parents.

The growing U.S. familiarity with the London dollar CD market and the general desire to restrict dollar investments today to short term paper have together caused a doubling of the market's outstanding issues in the last 15 months, to nearly $44bn.

London market makers have been aware of the CBOT's aspirations since a team from Chicago visited the City last summer. Many traders would welcome a futures market since this would enable them to sell CDs short. But the likelihood of such a market appearing has to date been treated with scepticism.

One reason for this has been widespread doubt about the technical feasibility of the idea. Banks at present have no obligation to issue CDs at a future date. Dealers therefore question the feasibility of the short sale: who would guarantee delivery of the paper where a contract was allowed to mature? Yet the concept of the short sale is central to the function of a futures market.

The CBOT says that it is now in the process of setting up a delivery mechanism which will facilitate short sales. It has confirmed that discussions are proceeding with a number of major banks on this point.

A second query in the London market concerns the usefulness of CD futures. One discount house which is a prominent market maker thought that futures would serve no practical purpose and would only provide scope for professionals' punting.

But this view may have to be revised. The CBOT has done its legwork among the US treasurers whose cash feeds the London market—and it believes there exists a need of the hedging capability that a futures market would provide.

Demonstration of the economic need for the market is a major part of the CBOT's official submission in Washington. The volatility of interest rates in today's financial environment is presented as the key justification of financial futures. And the CBOT has none of the doubts that are expressed in the London market about the willingness of US treasurers to use so sophisticated a tool.

One final hurdle might remain. Some London dealers doubt the willingness of the Bank of England to lend its backing to CD futures. But with exchange control regulations disbanded, banks in London no longer require the Bank's authorisation to issue CDs and probably a CBOT market could be started regardless of the Bank's attitude. Nevertheless the policy of London houses towards it would be influenced by the Bank's attitude.

No official opinion has yet been sought from the Bank. Officials have shown no great enthusiasm for the report presented last year by the International Commodities Clearing House. This dealt with the whole subject of futures markets for financial instruments. But so far it has received only preliminary and very informal discussion.

The Bank's first concern is known to be the impact of futures markets generally on the operations of the original markets on which they are built. An unfavourable view of this impact might prompt opposition from the Bank in the present case in order partly to deter similar developments elsewhere—not least, in the gilts market.

Implied levelling

An active futures market would be bound to affect trading in London dollar CDs. For example, market makers at present will trade on the finest rate for four banks only. A futures market, it is thought, would require a tier of perhaps 10 banks carrying the same prices. The implied levelling effect would create problems for most traders.

The CBOT says that there have been communications with the Bank of England—and that so far it has not learned of anything to discourage it.

The CBOT is not yet ready to release further details. This cautious approach is prompted, said one official, by fear of disclosing information to the opposition. It is believed that the Mercantile Exchange in Chicago as well as the other commodities exchanges in New York would also like to pursue the possibilities of the London dollar CD market.

Nacional Financiera, S.A.

7¼% External Loan 1982

Singer & Friedlander Ltd., announce that the redemption instalment of U.S. $900,000 due 1st March 1980 has been met by purchases in the market to the nominal value of U.S. $82,000 and by a drawing of Bonds to the nominal value of U.S. $818,000.

The distinctive numbers of the Bonds, drawn in the presence of a Notary Public are as follows:

13140 13141 13142 13143 13144 13145 13146 13147 13148 13149 13150 13151 13152
13153 13154 13155 13156 13157 13158 13159 13160 13161 13162 13163 13164 13167
13168 13169 13170 13171 13172 13173 13174 13175 13176 13177 13178 13179 13180
13181 13182 13183 13184 13185 13186 13187 13188 13189 13190 13191 13192 13193
13194 13195 13196 13197 13198 13199 13200 13201 13202 13203 13204 13205 13206
13207 13208 13209 13210 13211 13212 13213 13214 13215 13216 13217 13218 13219
13220 13221 13222 13223 13224 13225 13226 13227 13228 13229 13230 13231 13232
13233 13234 13235 13236 13237 13238 13239 13240 13272 13273 13274 13275 13276
13277 13278 13279 13280 13281 13282 13283 13284 13285 13286 13287 13288 13289
13290 13326 13327 13328 13329 13330 13331 13332 13333 13334 13335 13336 13337
13338 13339 13364 13365 13366 13374 13375 13378 13379 13385 13386 13387 13388
13393 13394 13395 13400 13401 13402 13403 13404 13405 13408 13409 13410 13411
13414 13415 13416 13417 13418 13422 13427 13428 13429 13430 13431 13432 13433
13434 13435 13436 13437 13438 13439 13459 13460 13470 13471 13472 13473 13474
13481 13485 13498 13499 13500 13501 13534 13567 13568 13569 13570 13571 13572
13573 13574 13575 13612 13613 13614 13615 13616 13619 13620 13621 13634 13635
13650 13651 13652 13663 13664 13665 13666 13667 13679 13680 13681 13682 13683
13693 13694 13695 13696 13697 13698 13768 13769 13770 13771 13772 13773 13774
13775 13776 13777 13778 13779 13780 13781 13797 13802 13804 13805 13806 13867
13868 13869 13870 13871 13872 13873 13874 13875 13876 13877 13878 13879 13898
13899 13900 13901 13902 13903 13904 13905 13906 13907 13908 13909 13910 13911
13912 13913 13914 13915 13916 13917 13918 13919 13920 13921 13922 13942 13943
13944 13945 13946 13947 13948 13950 13951 13979 13980 13981 13982 13983 13984
13985 13986 13989 13990 13994 13995 13996 13997 14007 14008 14009 14010 14011
14012 14013 14014 14015 14016 14024 14071 14074 14075 14077 14085 14087 14088
14096 14097 14116 14117 14118 14119 14120 14121 14125 14126 14127 14128 14129
14130 14131 14132 14133 14134 14150 14151 14152 14153 14154 14155 14156 14157
14158 14159 14160 14161 14162 14167 14172 14203 14204 14205 14206 14207 14228
14229 14230 14231 14232 14233 14284 14285 14286 14287 14288 14289 14290 14291
14292 14293 14294 14295 14296 14297 14298 14299 14300 14301 14302 14303 14304
14305 14306 14307 14308 14309 14310 14311 14312 14313 14314 14315 14316 14317
14318 14319 14320 14321 14322 14323 14324 14325 14326 14327 14328 14329 14330
14331 14332 14333 14334 14335 14336 14337 14338 14339 14340 14341 14342 14343
14344 14476 14477 14478 14479 14480 14481 14482 14483 14484 14485 14491 14492
14493 14494 14498 14559 14604 14628 14629 14630 14631 14632 14633 14634 14635
14636 14637 14638 14639 14640 14641 14642 14653 14654 14655 14656 14657 14658
14659 14660 14661 14662 14747 14748 14749 14750 14751 14752 14753 14754 14755
14756 14757 14758 14759 14760 14761 14775 14776 14777 14778 14779 14780 14781
14782 14783 14784 14785 14788 14789 14815 14816 14817 14840 14841 14843 14844
14845 14846 14847 14850 14851 14854 14855 14856 14857 14858 14859 14860 14875
14876 14885 14886 14887 14888 14889 14890 14891 14892 14893 14894 14895 14896
14915 14916 14917 14926 14927 14928 14929 14930 14931 14932 14933 14938 14939
14940 14941 14988 14989 14990 14991 14992 14993 14994 14996 14997 14998 14999
15000 15001 15002 15026 15028 15029 15041 15078 15079 15080 15081 15082 15083
15084 15085 15086 15087 15090 15091 15092 15123 15124 15125 15126 15127 15128
15129 15130 15131 15132 15133 15134 15135 15136 15137 15138 15139 15140 15141
15142 15143 15144 15145 15146 15147 15148 15149 15150 15151 15152 15153 15154
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15211 15216 15217 15218 15219 15220 15221 15222 15223 15224 15225 15226 15227
15228 15229 15230 15231 15232 15233 15234 15235 15236 15237 15238 15239 15240
15258 15259 15260 15261 15262 15281 15282 15283 15284 15285 15286 15287 15288
15289 15290 15312 15313 15314 15315 15316 15319 15320 15321 15322 15342 15343
15344 15345 15348 15349 15350 15351 15352 15353 15354 15355 15356 15357 15412
15413 15414 15535 15536 15537 15542 15543 15544 15545 15546 15547 15550 15551
15552 15553 15554 15555 15556 15557 15565 15596 15635 15636 15637 15654 15655
15657 15660 15661 15662 15663 15664 15665 15666 15667 15668 15669 15670 15671
15686 15689 15690 15691 15692 15693 15694 15695 15696 15697 15698 15699 15700
15701 15702 15703 15722 15759 15797 15798 15799 15800 15801 15802 15803 15804
15807 15873 15874 15875 15876 15877 15878 15879 15880 15881 15882 15883 15884
15885 15886 15887 15892 15904 15905 15906 15907 15908 15909 15910 15911 15912
15913 15914 15915 16072 16076 16103 16104 16105 16106 16107 16128 16129

On the 1st March 1980 there will become payable upon each Bond drawn for redemption, the principal amount thereof, together with accrued interest to said date at the office of:– Singer & Friedlander Limited, 20, Cannon Street, London EC4M 6XE or with one of the other paying agents named on the Bonds.

Interest will cease to accrue on the Bonds called for redemption on or after 1st March 1980. Bonds so presented for payment must have attached all coupons maturing subsequent to 1st March 1980.

20, Cannon Street, London EC4M 6XE

1st February 1980

NOTICE

The following bonds previously called for redemption have not been presented for payment.

743 744 745 746 747 748 749 750 751 752 753 754 755 756 757
758 760 764 765 766 771 772 773 774 869 870 871 872 873 874
875 876 877 878 879 880 924 933 935 936 968 1006 1178 1179 1180
1324 1325 1326 1327 1328 1329 1330 1331 1332 1333 1334 1335 1336 1337 1425
1426 1427 1428 1429 1430 1431 1432 1433 1434 1470 1472 1473 1474 1475 1476
1477 1478 1479 1480 1481 1512 1513 1516 1517 1523 1536 1542 1543 1544 1545
1546 1547 1548 1549 1550 1551 1552 1556 1558 1578 1579 1580 1581 1587 1611
1612 1630 1631 1642 1650 1691 1692 1693 1694 1695 1696 1697 1711 1745 1747
1748 1749 1750 1751 1797 1802 1803 2377 2431 2434 2435 2486 2487 2488 2489
2490 2526 2527 2528 2529 2530 2531 2532 2533 2534 2535 2650 2651 2682 2683
2712 2713 2714 2760 7207 7223 7224 7228 7301 7353 7380 7381 7382 7383 7384
7385 7386 7387 7388 7389 7398 7426 7427 7440 7442 7443 7444 8117 8534 8535

Financial rand loan ceiling exceeded

By Bernard Simon in Johannesburg

THE SOUTH AFRICAN Reserve Bank has asked a local bank to bring its financial rand ovedraft facilities to foreign arbitrageurs within its authorised limits, after it exceeded the ceilings laid down by the central bank.

As a result of the Reserve Bank's action, French Bank, which is controlled by Banque de l'Indochine et de Suez, was unable to meet payments earlier this week to at least two Johannesburg stockbrokers who had accepted scrip from local sellers for delivery to foreign buyers.

French Bank is one of several dealers in financial rand authorised to provide bridging finance to brokers to tide them over the time between the clearance of a sale on the Johannesburg Stock Exchange and the arrival of funds or matching scrip from the overseas buyer.

The brokers concerned have had to borrow rand from local banks until financial rand are available. Reports indicate that the amounts involved run into several million rand, and the demand for financial rand to meet this obligation could keep the market tight for another few days.

A senior French Bank executive described the affair yesterday as "a storm in a teacup." He said that the bank had exceeded its limits because heavy trading in gold shares had led to "high demand" for bridging facilities from overseas arbitrageurs.

Bankers agree that the Reserve Bank's limits, believed to total around R100m, have been inadequate to finance the surge in stock market turnover. The limits of some banks have been raised in the past few days, however. The Reserve Bank said yesterday that no application for higher limits has been refused. Before approval is given, however, the banks have to stay within their existing ceilings.

Acmil lifts interim dividend

By Our Sydney Correspondent

ACMIL, the diversified building products group, has raised its interim dividend from 2.5 cents to 3 cents a share following a 67 per cent jump in earnings for the December six months, from A$6.14m to A$10.25m (US$11.35m). The result comes only a few weeks after Acmil and its stablemate Brambles Industries called off a proposed A$142m merger.

For the past three years Acmil has paid a total dividend of 5.25 cents, but the latest interim could indicate a higher full-year payout. Earnings a share for the period rose from 5.3 cents to 7.9 cents.

The directors of Acmil said that all major operating divisions, including recent acquisitions, improved their performance in the latest half. Sales for the half year rose from A$131m to A$177m.

Issue of China bonds in Hong Kong delayed

By Anthony Rowley in Hong Kong

A BANK OF CHINA spokesman in Hong Kong has denied reports by the official New China News Agency (NCNA) that the bank has started selling in Hong Kong the Renminbi bonds being issued by Fujian Province's investment and enterprise corporation.

The NCNA reported on January 29 that the bonds had gone on sale this month through the Bank of China both in Fujian Province and in Hong Kong.

A spokesman for the Bank of China branch in Hong Kong said yesterday, however, that sales (in Hong Kong) had been delayed and no date will be fixed before full details of the bond sales programme have been received from Fujian Province.

No reason was given for the delay but Mr. Zhang Yi, the deputy governor of Fujian, and president of the investment and enterprise company, said earlier this month that negotiations between the provincial authorities and the Bank of China headquarters in Peking had to be completed before the bank would handle sales in Hong Kong. Assuming that the bonds do eventually appear in Hong Kong, they will mark the first issue of Chinese debt instruments of this sort which is to be available to foreigners since the founding of the People's Republic of China in 1949. There is speculation that China may have delayed issuing the bonds in Hong Kong because of possible legal problems over the status of outstanding Chinese bonds issued by former Chinese regimes.

CAISSE NATIONALE DES TELECOMMUNICATIONS

7.50% 1972-1984
LOAN OF FF.125,000,000

The redemption on 1st March 1980 for which a sum of FF.5,000,000.- is planned, has been completely repurchased on the Stock Exchange.

Amount remaining in circulation after 1st March 1980: FF.100,000,000.

Paying Agent
BANQUE DE PARIS ET DES PAYS-BAS POUR LE GRAND-DUCHE DE LUXEMBOURG

ANZ flotation of New Zealand offshoot hits snag

BY JAMES FORTH IN SYDNEY

A PROPOSED public flotation by the ANZ Banking Group of its New Zealand offshoot, ran into a hitch yesterday, and led to the suspension of sharemarket trading in one of NZ's major finance company's UDC Group Holdings.

Premature release of confidential details in the prospectus for the float revealed that the NZ offshoot of the ANZ planned to make a takeover offer for UDC, in which the bank already has a 64 per cent controlling interest. The NZ Stock Exchange Association suspended trading in UDC pending clarification, after Press reports that the ANZ had made a takeover bid for the company and a statement by the financier that no formal bid has been received.

ANZ planned to bid for the remainder of UDC at NZ$1.75—the same price at which the NZ public will be offered shares in the bank. It will be the first Australian bank to float to the NZ public. The Bank of New South Wales, the National Bank of Australasia and the Commercial Bank of Australia all operate in NZ.

The ANZ's operation in NZ earned NZ$10.4m (US$10.2m) last year. The pubilc will be offered a 15 per cent stake, and the issue will raise NZ$11.68m, lifting the paid capital to NZ$44.4m.

After the issue, the ANZ Banking Group will retain a holding of 75 per cent of the capital, ex-UDC shareholders would own another 8.7 per cent, NZ staff 1.2 per cent, and the public 15 per cent. The prospectus predicts that profits will show satisfactory growth and should be significantly higher than in 1979.

Recovery at NBT

BY WONG SULONG IN KUALA LUMPUR

NORTH BORNEO Timbers Berhad (NBT), the Malaysian timber group, has recorded interim pre-tax profits of 8m ringgit ($3.66m). In the same period of last year the group made a loss of 1.8m ringgit, despite much higher production and log sales.

NBT said log sales for the six months ended November 1979 were 6.26m cu ft against 7.4m cu ft, but due to favourable prices, returns amounted to 9.14 ringgit per cu ft compared with 3.85 ringgit previously. Profits would have been much higher but for the sharply increased royalties paid to Sabah State.

In his review Mr. Akbar Hydari, the chairman, pointed out that log prices were buoyant during the first quarter, but the market fell so badly in October that the group temporarily suspended operations. However, prices quickly recovered, and operations are back to normal.

Cocoa sales provided a useful though not significant contribution to group earnings.

The group is not giving a dividend, at this stage. Mr. Hydari said prospects appear encouraging, but in view of the highly cyclical nature of the business and the severity of the monsoon, the group's full-year result could not be accurately assessed.

Earnings jump at Bank of Bahrain and Kuwait

BY MARY FRINGS IN BAHRAIN

THE BANK of Bahrain and Kuwait (BBK) has announced record profits for 1979, and has declared for the first time a one-for-two scrip issue. A 10 per cent dividend is recommended, equivalent to 22 per cent of the bank's ordinary net income.

Unaudited figures for 1979 show a 49 per cent earnings increase over the previous year, from BD 1.57m (U.S.$4.16m) to BD 2.34m (U.S.$6.21m). But this does not include profits on the handling of public share issues, particularly that for Gulf investment Company last October, which was 1,263 times over-subscribed.

Loan interest and handling charges on the share issues brought BBK an extra BD 3.42m, which is being transferred to general reserves and substantially passed on to shareholders in the form of the scrip issue.

The bank's authorised capital is to be increased from BD 5m to BD 10m to accommodate the distribution, which will raise the paid-up capital to BD 7.5m.

NOTICE

To the holders of the Floating Rate London Dollar Certificates of Deposit due August, 1982, of:

DOW BANKING CORPORATION

108, Fenchurch Street, London, EC3.

We hereby certify that the rate of interest payable on the above-mentioned Certificates of Deposit for the Interest Period beginning on the 4th day of February, 1980, is 14½ per cent per annum and the interest Payment Date relating thereto is the 4th day of August, 1980.

EUROPEAN BANKING COMPANY LIMITED

BASE LENDING RATES

A.B.N. Bank	17 %
Allied Irish Bank	17 %
Amro Bank	17 %
American Express Bk.	17 %
Henry Ansbacher	17 %
A P Bank Ltd.	17 %
■ Arbuthnot Latham	17 %
Associates Cap. Corp.	17 %
Banco de Bilbao	17 %
Bank of Credit & Cmce.	17 %
Bank of Cyprus	17 %
Bank of N.S.W.	17 %
Banque Belge Ltd.	17 %
Banque du Rhone et de la Tamise S.A.	17½ %
Barclays Bank	17 %
Bremar Holdings Ltd.	18 %
Brit. Bank of Mid. East	17 %
■ Brown Shipley	17 %
Canada Perm't Trust	17 %
Cayzer Ltd.	17 %
Cedar Holdings	17 %
■ Charterhouse Japhet	17 %
Choulartons	17 %
C. E. Coates	17 %
Consolidated Credits	17 %
Co-operative Bank	*17 %
Corinthian Secs.	17 %
The Cyprus Popular Bk.	17 %
Duncan Lawrie	17 %
Eagil Trust	17 %
E. T. Trust Limited	17 %
First Nat. Fin. Corp.	18½ %
First Nat. Secs. Ltd.	18 %
Robert Fraser	18 %
■ Antony Gibbs	17 %
Greyhound Guaranty	17 %
Grindlays Bank	‡17 %
■ Guinness Mahon	17 %
■ Hambros Bank	17 %
Hill Samuel	§17 %
C. Hoare & Co.	†17 %
Hongkong & Shanghai	17 %
Industrial Bk. of Scot.	17½ %
Keyser Ullmann	17 %
Knowsley & Co. Ltd.	18½ %
Lloyds Bank	17 %
Edward Manson & Co.	18 %
Midland Bank	17 %
■ Samuel Montagu	17 %
■ Morgan Grenfell	17 %
National Westminster	17 %
Norwich General Trust	17 %
P. S. Refson & Co.	17 %
Rossminster	17 %
Ryl. Bk. Canada (Ldn.)	17 %
Schlesinger Limited	17 %
E. S. Schwab	17 %
Security Trust Co. Ltd.	18 %
Standard Chartered	17 %
Trade Dev. Bank	17 %
Trustee Savings Bank	17 %
Twentieth Century Bk.	17 %
United Bank of Kuwait	17 %
Whiteaway Laidlaw	17½ %
Williams & Glyn's	17 %
Yorkshire Bank	17 %

■ Members of the Accepting Houses Committee.
* 7-day deposits 15%. 1-month deposits 15½%.
† 7-day deposits on sums of £10,000 and under 15%, up to £25,000 15¼% and over £25,000 15½%.
‡ Call deposits over £1,000 15%.
§ Demand deposits 15%.

Genossenschaftliche Zentralbank
Aktiengesellschaft
Vienna

U.S. $40,000,000
Floating Rate Notes Due 1989

In accordance with the provisions of the Notes, notice is hereby given that for the three month Interest Period from 1st February, 1980 to 1st May, 1980, the Notes will carry an Interest Rate of 14⅝% per annum. The relevant Interest Payment Date will be 1st May, 1980 and the Coupon Amount per U.S. $1,000 will be U.S. $36·56.

Credit Suisse First Boston Limited
Agent Bank

U.S. $300,000,000 of which
U.S. $100,000,000 has been issued as the Initial Tranche

Citicorp Overseas Finance Corporation Limited

(Incorporated with limited liability in the British Virgin Islands)

Guaranteed Floating Rate Notes Due 1984
Unconditionally guaranteed by

CITICORP

In accordance with the terms and conditions of the above-mentioned Notes and the Agent Bank Agreement dated as of November 28, 1979, between Citicorp Overseas Finance Corporation Limited and Citibank, N.A., notice is hereby given that the Rate of Interest for the third one month sub-period has been fixed at 14⅝% per annum and that the interest payable for the third one month sub-period in respect of U.S. $10,000 nominal of the Notes will be U.S. $117.81. The total amount due for Coupon No. 1 payable February 29, 1980 is U.S. $364.31.

February 1, 1980
By: Citibank, N.A., London, Agent Bank

CITIBANK

CURRENCIES, MONEY and GOLD

$ & £ firm

The dollar and sterling remained firm in quiet foreign exchange trading yesterday. The dollar improved on indications of a slight easing of tension in the Middle East, including an improvement in the Afghanistan situation. It finished around the firmest level of the day against the D-mark at DM 1.7440, compared with DM 1.7370 previously, and improved to SwFr 1.6375 from SwFr 1.6210 against the Swiss franc. The dollar's trade-weighted index, as calculated by the Bank of England, rose to 85.1 from 85.0.

Sterling opened at $2.2650, and fell to a low point of $2.2640-$2.2650, but improved to a general level of $2.2675 for most of the day, helped by firm London interest rates. In the afternoon the pound touched $2.2695-$2.2705 and closed at $2.2665-$2.2675, a rise of 50 points on the day. Its trade-weighted index, on Bank of England figures, rose to 71.8 from 71.7, after standing at 71.8 at noon and 71.7 in the morning.

D-MARK—Very strong, but remaining steady within the European Monetary System recently—The D-mark showed a little adverse reaction to West Germany's record trade deficit last year and expectations of even worse figures in 1980. It was little changed against EMS currencies at the Frankfurt fixing, and improved in terms of the Swiss franc. The Bundesbank did not intervene when the dollar was fixed at DM 1.7394, compared with DM 1.7340 previously, while sterling rose to DM 3.9460 from DM 3.9230.

FRENCH FRANC—Strongest member of the EMS since late December—The franc lost ground against most EMS members at the Paris fixing. Outside the EMS the dollar rose to FFr 4.0710 from FFr 4.0595, and sterling to FFr 9.2365 from FFr 9.1970. The Swiss franc fell to FFr 2.5072 from FFr 2.5112.

DANISH KRONE—Basically weak, suffering two devaluations since the EMS began last March—The krone weakened against major currencies at the Copenhagen fixing, and probably received support from the Danish central bank. Market estimates of intervention by the authorities suggested a figure of around $50m, amid speculation that Bank Rate may be increased in the near future. It has remained at 11 per cent since September 17. All members of the EMS improved against the krone at the fixing, with the D-mark rising to DKr 3.1290 from DKr 3.1270, and the French franc to DKr 1.3385 from DKr 1.3368. Outside the EMS the dollar rose to DKr 5.4420 from DKr 5.4190, and sterling to DKr 12.3395 from DKr 12.2570 On the other hand the Swiss franc eased to DKr 3.3485 from DKr 3.3560.

BELGIAN FRANC—Generally weakest member of EMS, but resists devaluation—The franc lost ground at the Brussels fixing against all its EMS partners, except the Danish krone which fell to BFr 5.19 from BFr 5.1960. Among non EMS currencies the Swiss franc was weak, declining to BFr 17.398 from BFr 17.423.

ITALIAN LIRA — Firmer recently after falling from the top of the EMS last November—The lira continued to improve against members of the EMS, but weakened against the dollar and sterling at the Milan fixing.

SWISS FRANC—One of the strongest European currencies, but slightly weaker against D-mark since the new year—The franc continued to lose ground against the D-mark despite Germany's current account deficit last year. It also fell against other European currencies, and the U.S. dollar

THE POUND SPOT AND FORWARD

Jan. 31	Day's spread	Close	One month	% p.a.	Three months	% p.a.
U.S.	2.2640-2.2705	2.2665-2.2675	0.82-0.72c pm	4.07	1.90-1.80 pm	3.26
Canada	2.6265-2.6350	2.6260-2.6270	1.00-0.90c pm	4.34	2.65-2.55 pm	3.96
Nethlnd.	4.34-4.38	4.36½-4.37½	2⅛-1⅛c pm	6.18	7½-6½ pm	6.06
Belgium	63.80-64.35	64.20-64.30	25-15c pm	3.73	57-47 pm	3.24
Denmark	12.28-12.35	12.32½-12.33½	½ore pm-1½ dis	−0.49	½-2¾ dis	−0.57
Ireland	1.0615-1.0695	1.0680-1.0690	0.05-0.15p dis	−1.12	0.15-0.25dis	−0.75
W. Ger.	3.93-3.96½	3.95-3.96	3¾-2¾pf pm	9.48	9¾-8¾ pm	8.97
Portugal	113.50-114.20	113.90-114.10	15c pm-35 dis	−2.63	5-105 dis.	−1.93
Spain	150.00-150.65	150.05-150.15	10-60c dis	−2.80	30-130 dis	−2.13
Italy	1,827-1,833	1,831½-1,832½	4½-6½ lire dis	−3.60	15-17 dis	−3.49
Norway	11.01-11.12	11.01½-11.02½	7¾-6¾ore pm	7.35	18¼-16¼ pm	6.26
France	9.20-9.27	9.25½-9.26½	5¾-4¾c pm	6.15	11½-10½ pm	4.64
Sweden	9.43-9.46	9.43½-9.44½	3¾-1¾ore pm	3.49	9½-7½ pm	3.60
Japan	538-545	542-543	4.60-4.30y pm	9.84	12.50-12.20pm	9.10
Austria	28.23-28.40	28.33-28.38	25-15gro pm	5.08	67-57 pm	8.75
Switz.	3.67-3.72½	3.71-3.72	4¾-3¾c pm	12.11	11½-10½ pm	11.71

Belgian rate is for convertible francs. Financial franc 65.45-65.55. Six-month forward dollar 2.77-2.67c pm, 12-month 4.10-4.00c pm.

THE DOLLAR SPOT AND FORWARD

Jan. 31	Day's spread	Close	One month	% p.a.	Three months	% p.a.
UK†	2.2640-2.2705	2.2665-2.2675	0.82-0.72c pm	4.07	1.90-1.80 pm	3.26
Ireland†	2.1220-2.1285	2.1220-2.1235	0.90-0.80c pm	4.80	2.25-2.15 pm	4.14
Canada	1.1591-1.1610	1.1598-1.1599	0.01c pm-0.02dis	−0.05	0.14-0.10 pm	0.41
Nethlnd.	1.9180-1.9265	1.9255-1.9265	0.46-0.39c pm	2.65	1.54-1.44 pm	3.10
Belgium	28.21-28.35	28.33-28.35	½c pm-½ dis	—	2pm-par	0.14
Denmark	5.4370-5.4410	5.4375-5.4400	1.75-2.25ore dis	−4.41	5.00-5.50dis	−3.86
W. Ger.	1.7380-1.7445	1.7435-1.7445	0.81-0.71pf pm	5.23	2.55-2.45 pm	5.73
Portugal	50.20-50.34	50.24-50.34	13-23c dis	−4.30	40-70 dis	−4.38
Spain	66.24-66.40	66.24-66.28	25-40c dis	−5.88	70-85 dis	−4.68
Italy	807.50-808.20	807.80-808.20	4¾-5¾ lire dis	−7.80	13½-15 dis	−7.06
Norway	4.8590-4.8880	4.8645-4.8695	1.70-1.20ore pm	3.57	4.00-3.50 pm	3.08
France	4.0665-4.0845	4.0830-4.0845	0.63-0.53c pm	1.71	1.68-1.53 pm	1.57
Sweden	4.1625-4.1690	4.1625-4.1635	0.15ore pm-0.05dis	0.14	0.70-0.50 pm	0.58
Japan	238.90-239.45	239.25-239.35	1.25-1.10y pm	5.89	3.55-3.40 pm	5.80
Austria	12.489-12.51	12.50½-12.51	5.50-4.90gro pm	4.99	18.00-16.00pm	5.44
Switz.	1.6220-1.6390	1.6370-1.6380	1.20-1.13c pm	8.54	3.50-3.43 pm	8.46

† UK and Ireland are quoted in U.S. currency. Forward premiums and discounts apply to the U.S. dollar and not to the individual currency.

CURRENCY RATES

Jan. 30	Bank rate %	Special Drawing Rights	European Currency Unit
Sterling	17	0.581953	0.63429
U.S. $	12	1.31661	1.43673
Canadian $	14	1.52937	1.66826
Austria Sch.	5¼	16.3944	17.8946
Belgian F.	10½	37.0823	40.4583
Danish K.	11	7.13010	7.79139
D'Mark	6	2.28300	2.49215
Guilder	9½	2.52197	2.75148
French Fr.	9½	5.34478	5.83241
Lira	15	1061.98	1158.65
Yen	6¼	315.066	343.628
Norwgn. Kr.	9	6.46136	7.0486
Spanish Pts.	8	87.2241	95.2265
Swedish Kr.	10	5.48105	5.98255
Swiss Fr.	2	2.13001	2.32377

CURRENCY MOVEMENTS

Jan. 31	Bank of England Index	Morgan Guaranty changes %
Sterling	71.8	−34.3
U.S. dollar	85.1	−3.3
Canadian dollar	81.5	−16.3
Austrian schilling	157.6	+24.4
Belgian franc	115.2	+13.7
Danish kroner	108.4	−3.4
Deutsche mark	157.8	+46.0
Swiss franc	199.5	+78.2
Guilder	125.9	+20.1
French franc	102.1	−5.7
Lira	55.1	−49.6
Yen	117.9	+17.0

Based on trade weighted changes from Washington agreement December, 1971 (Bank of England Index=100).

OTHER MARKETS

Jan. 31	£	$		£ Note Rates
Argentina Peso	3758-3778	1660-1670	Austria	28.10-28.35
Australia Dollar	2.0465-2.0505	0.9030-0.9035	Belgium	65.05-65.55
Brazil Cruzeiro	98.77-99.77	43.55-44.00	Denmark	12.33-12.40
Finland Markka	8.39-8.41	3.7035-3.7055	France	9.17-9.23
Greek Drachma	n/a	n/a	Germany	3.94-3.96½
Hong Kong Dollar	10.96¼-10.99	4.8290-4.8330	Italy	1880-1950
Iran Rial	n/a	n/a	Japan	541-546
Kuwait Dinar(KD)	0.612-0.622	0.2722-0.2723	Netherlands	4.34-4.36½
Luxembourg Frc.	64.20-64.30	28.23-28.35	Norway	11.07-11.14
Malaysia Dollar	4.9470-4.9580	2.1835-2.1835	Portugal	113½-122
New Zealand Dlr.	2.3010-2.3060	1.0155-1.0160	Spain	149¼-156¼
Saudi Arab. Riyal	7.56-7.66	3.3590-3.3610	Sweden	9.45-9.51
Singapore Dollar	4.8780-4.8890	2.1520-2.1530	Switzerland	3.67-3.69
Sth. African Rand	1.8520-1.8540	0.8170-0.8180	United States	2.262-2.271
U.A.E. Dirham	8.43-8.53	3.7418-3.7428	Yugoslavia	49-51

Rate given for Argentina is free rate.

WORLD VALUE OF THE DOLLAR

Bank of America NT & SA, Economics Department, London

The Table below gives the rates of exchange for the U.S. dollar against various currencies as of Wednesday, January 30, 1980. The Exchange rates listed are middle rates between buying and selling rates as quoted between banks, unless otherwise indicated. All currencies are quoted in foreign currency units per one U.S. dollar except in certain specified areas. All rates quoted are indicative. They are not based on, and are not intended to be used as a basis for particular transactions.

Bank of America NT and SA does not undertake to trade in all the listed foreign currencies, and neither Bank of America NT and SA nor the Financial Times assume responsibility for errors.

COUNTRY	CURRENCY	VALUE OF DOLLAR
Afghanistan	Afghani (O)	44.00
Albania	Lek	4.4637
Algeria	Dinar	3.8325
Andorra	French Franc Spanish Peseta	4.0608 66.33
Angola	Kwanza	27.687
Antigua	E. Caribbean $	2.7025
Argentina	Argentine Peso	1645.56
Australia	Australian $	0.9005
Austria	Schilling	12.4635
Azores	Portug. Escudo	50.25
Bahamas	Bahamian $	1.00
Bahrain	Dinar	0.3778
Balearic Isles	Spanish Peseta	66.35
Bangladesh	Taka	15.8558
Barbados	Babados $	2.01
Belgium	B. Franc (O) B. Franc (F)	28.175 28.75
Belize	Belize $	2.00
Benin	C.F.A. Franc	203.038
Bermuda	Bda $	1.00
Bhutan	Indian Rupee	7.8926
Bolivia	Bolivian Peso	25.00
Botswana	Pula	0.7858
Brazil	Cruzeiro	43.78
Brit. Virgin Isles	U.S. $	1.00
Brunei	Brunei $	2.152
Bulgaria	Lev	0.878
Burma	Kyat	6.7271
Burundi	Burundi Franc	90.00
Cameroun Repub'c	C.F.A. Franc	203.038
Canada	Canadian $	1.1619
Canary Islands	Spanish Peseta	66.33
Cape Verde Isle	Cape V. Escudo	36.51
Cayman Islands	Cay. Is. $	0.835
Cent. Af. Emp.	C.F.A. Franc	203.038
Chad	C.F.A. Franc	203.038
Chile	Chilean Peso (O)	39.00
China	Renminbi Yuan	1.5438
Colombia	Col. Peso (O)	43.36
Comoros Islands	C.F.A. Franc	203.038
Congo (Brazaville)	C.F.A. Franc	203.038
Costa Rica	Colon	8.57
Cuba	Cuban Peso	0.7235
Cyprus	Cyprus Pound	0.3457
Czechoslovakia	Koruna (O)	5.25
Dem.Rep. S'oTome & Principe	S. Tome Dobra	34.3676
Denmark	Danish Krone	5.424
Djibouti	Djibouti Franc	170.151
Dominica	E. Caribbean $	2.7025
Dominican Repub.	Domin'cn Peso	1.00
Ecuador	Sucre	27.20
Egypt	Pound (3)	0.5925
El Salvador	Colon	2.50
Equatorial Guinea	Ekuele	66.33
Ethiopia	Birr (O)	2.0655
Faroe Islands	Danish Krone	5.424
Falkland Islands	Falkland Is. £ *	2.2627
Fiji Islands	Fiji $	0.8344
Finland	Markka	3.69
France	French Franc	4.0608
French C'tyin Af.	C.F.A. Franc	203.038
French Guiana	Local Franc	4.0608
French Pacific Is.	C.F.P. Franc	74.2916
Gabon	C.F.A. Franc	203.038
Gambia	Dalasi	1.7678
Germany (East)	Ostmark (O)	1.735
Germany (West)	Deutschemark	1.735
Ghana	Cedi	2.75
Gibraltar	Pound £*	2.2627
Gilbert Is.	Aust. $	0.9005
Greece	Drachma	38.12

COUNTRY	CURRENCY	VALUE OF DOLLAR
Greenland	Danish Krone	5.424
Grenada	E. Caribean $	2.7025
Guadaloupe	Local Franc	4.0608
Guam	U.S. $	1.00
Guatemala	Quetzal	1.00
Guinea Bissau	Peso	33.4182
Guinea Republic	Syli	18.7486
Guyana	Guyanese $	2.5608
Haiti	Gourde	5.00
Honduras Repub	Lempira	2.00
Hong Kong	H.K. $	4.782
Hungary	Forint (O)	34.09
Iceland	I. Krona	363.40
India	Ind. Rupee	7.8926
Indonesia	Rupiah	625.00
Iran	Rial	71.60
Iraq	Iraq Dinar	0.2953
Irish Republic	Irish Punt *	2.1317
Israel	Israeli Pound	35.61
Italy	Lira	806.45
Ivory Coast	C.F.A. Franc	203.038
Jamaica	Jamaican Dollar	1.7855
Japan	Yen	239.80
Jordan	Jordan Dinar	0.295
Kampuchea	Riel	n.a.
Kenya	Kenya Shilling	7.3368
Korea (Nth)	Won	0.94
Korea (Sth)	Won	580.00
Kuwait	Kuwait Dinar	0.2724
Lao P'pls D. Rep.	Kip of Lib.	400.00
Lebanon	Lebanese Pound	3.2843
Lesotho	Rand	0.8175
Liberia	Liberian $	1.00
Libya	Libyan Dinar	0.2961
Liechtenstein	Swiss Franc	1.619
Luxembourg	Lux Franc	28.175
Macao	Pataca	5.31
Madagascar D. R.	MG Franc	203.038
Madeira	Portugese Escudo	50.25
Malawi	Kwacha	0.8037
Malaysia	Ringgit	2.185
Maldive Islands	Mal Rupee	3.93
Mali Republic	Mali Franc	406.075
Malta	Maltese Pound	0.3425
Martinique	Local Franc	4.0608
Mauritania	Ouguiya	40.5075
Mauritius	M. Rupee	7.595
Mexico	Mexican Peso	22.81
Miquelon	C.F.A. Franc	203.038
Monaco	French Franc	4.0608
Mongolia	Tugrik (O)	3.3555
Montserrat	E. Caribbean $	2.7025
Morocco	Dirham	3.8702
Mozambique	Moz. Escudo	30.4945
Namibia	Rand	0.8175
Nauru Is.	Aust. $	0.9005
Nepal	Nepalese Rupee	12.00
Netherlands	Dutch Guilder	1.9165
NetherlandAntilles	Antilian Guild	1.80
New Hebrides	Aust. $ FNH	0.9005 65.623
New Zealand	NZ $	1.0116
Nicaragua	Cordoba	10.00
Niger Republic	C.F.A. Franc	203.038
Nigeria	Naira (O)	0.5803
Norway	Norwg. Krone	4.8995
Oman Sultanate of	Rial Omani	0.3456
Pakistan	Pkst. Rupee	9.91
Panama	Balboa	1.00

COUNTRY	CURRENCY	VALUE OF DOLLAR
Papua N. Guinea	Kina	0.6896
Paraguay	Guarani	137.30
Peoples D. Repub. of Yemen	S. Yemen Dinar	0.3415
Peru	Sol	254.45
Philippines	Ph. Peso	7.40
Pitcairn Islands	NZ $	1.0116
Poland	Zloty (O)	31.00
Portugal	Port. Escudo	50.25
Port Timor	Timor Escudo	n.a.
Puerto Rico	U.S. $	1.00
Qatar	Qatar Ryal	3.70
Reunion, Ile de la	French Franc	4.0608
Rhodesia	Rhd $	0.6956
Romania	Leu	4.47
Rwanda	Rwanda Franc	92.84
St. Christopher	E. Caribbean $	2.7025
St. Helena	Sterling *	2.2627
St. Lucia	E. Caribbean $	2.7025
St. Pierre	C. F.A. Franc	203.038
St. Vincent	E. Caribbean $	2.7025
Samoa American	U.S $	1.00
San Marino	Italian Lira	806.45
Saudi Arabia	Saudi Riyal	3.3598
Senegal	C. F. A. Franc	203.038
Seychelles	S. Rupee.	5.8912
Sierra Leone	Leone.	0.8839
Singapore	Singapore $.	2.1552
Solomon Islands	S.I. $	0.9005
Somali Republic	Som. Shilling	6.0241
South Africa	Rand	0.8175
Spain	Peseta.	66.33
Spanish ports in North Africa	Sp. Peseta.	66.33
Sri Lanka	S. L. Rupee	15.67
Sudan Republic	Pound (2)	0.50
Sudan Republic	Pound (1)	0.80
Surinam	S. Gulder	1.80
Swaziland	Lilangeni	0.8175
Sweden	S. Krona.	4.165
Switzerland	Swiss Franc.	1.619
Syria	Syria Pound.	3.9262
Taiwan	New Taiwan $ (O)	36.00
Tanzania	Tan. Shilling.	8.2893
Thailand	Baht.	20.50
Togo Republic	C.F.A. Franc	203.038
Tonga Islands	Pa'anga	0.9005
Trinidad	Trin. & Tob. $	2.4063
Tunisia	Tunisian Dinar	0.3961
Turkey	Lira.	70.00
Turks & Caicos	U.S. $	1.00
Tuvalu	Australian $	0.9005
Uganda	Ug. Shilling	7.3368
United Arab Emir.	UAE Dirham	3.7429
United Kingdom	£ Sterling	2.2627
Upper Volta	C.F.A. Franc.	203.038
Uruguay	Urug. Peso (M)	8.46
U.S.S.R.	Rouble	0.654
Vatican	Italian Lira	806.45
Venezuela	Bolivar	4.2937
Vietnam	Dong (O)	2.16
Virgin Islands U.S.	U.S. $	1.00
Western Samoa	Samoan Tala	0.9111
Yemen	Rial	4.57
Yugoslavia	New Y. Dinar	19.8561
Zaire Republic	Zaire Zaire	2.0284
Zambia	Kwacha	0.7779

n.a. Not available. * U.S. dollars per National Currency unit. (O) Official rate. (C) Commercial rate. (F) Financial rate. (1) Sudan—Official rate for specified exports and imports. (2) Sudan—Official rate for all transactions except specified exports and imports. (3) Egypt—A different rate applies to certain transactions with non-IMF countries.

EMS EUROPEAN CURRENCY UNIT RATES

	ECU central rates	Currency amounts against ECU January 31	% change from central rate	% change adjusted for divergence	Divergence limit %
Belgian Franc	39.7897	40.4945	+1.77	+1.46	±1.53
Danish Krone	7.72336	7.79710	+0.95	+0.64	±1.64
German D-Mark	2.48208	2.49375	+0.47	+0.16	±1.125
French Franc	5.84700	5.83797	−0.15	−0.46	±1.3557
Dutch Guilder	2.74362	2.75325	+0.35	+0.04	±1.512
Irish Punt	0.662201	0.674676	+0.97	+0.66	±1.668
Italian Lira	1157.79	1158.06	+0.02	+0.02	±4.08

Changes are for ECU, therefore positive change denotes a weak currency. Adjustment calculated by Financial Times.

EXCHANGE CROSS RATES

Jan. 31	PoundSterling	U.S. Dollar	Deutschem'k	Japan'seYen	FrenchFranc	Swiss Franc	DutchGuild'r	Italian Lira	Canada Dollar	Belgian Franc
Pound Sterling	1.	2.267	3.955	542.5	9.260	3.718	4.370	1832.	2.627	64.25
U.S. Dollar	0.441	1.	1.745	239.3	4.085	1.639	1.928	808.1	1.159	28.34
Deutschemark	0.253	0.573	1.	137.2	2.341	0.939	1.105	463.2	0.664	16.25
Japanese Yen 1,000	1.843	4.179	7.290	1000.	17.07	6.848	8.055	3377.	4.841	118.4
French Franc 10	1.080	2.448	4.271	585.9	10.	4.012	4.719	1978.	2.836	69.38
Swiss Franc	0.269	0.610	1.065	146.0	2.493	1.	1.176	493.1	0.707	17.29
Dutch Guilder	0.229	0.519	0.905	124.1	2.119	0.850	1.	419.2	0.601	14.70
Italian Lira, 1,000	0.546	1.237	2.159	296.1	5.055	2.028	2.385	1000.	1.434	35.07
Canadian Dollar	0.381	0.863	1.506	206.5	3.526	1.414	1.664	697.5	1.	24.46
Belgian Franc 100	1.556	3.528	6.156	844.4	14.41	5.782	6.802	2851.	4.088	100.

EURO-CURRENCY INTEREST RATES

The following nominal rates were quoted for London dollar certificates of deposit: one-month 13.90-14.00 per cent; three-months 14.02-14.12 per cent; six months 14.05-14.15 per cent; one year 13.70-13.80 per cent.

Jan. 31	Sterling	U.S.Dollar	Canadian Dollar	Dutch Guilder	Swiss Franc	West German Mark	French Franc	Italian Lira	Asian $	Japanese Yen
†Short term	17¾-17⅞	15½-15¾	12¾-13¾	11-11¼	⅝-⅞	8 1/16-8 3/16	12-12¼	12-16	—	4⅜-9⅜
7 days' notice	17⅞-18	13⅝-13⅞	12¾-13¾	11-11¼	1⅝-1⅞	8⅛-8¼	12-12¼	20½-24	15 5/16-15 7/16	7-7 3/16
Month	18⅛-18¼	13 15/16-14 1/16	13 7/16-13 11/16	11⅛-11⅜	4¾-4⅞	8¼-8⅜	12⅛-12⅜	20¾-22	14-14⅛	7 11/16-8 1/16
Three months	17¾-17⅞	14¼-14½	13¾-14⅛	11¼-11½	5⅜-5½	8 7/16-8½	12 11/16-12 15/16	20-21¾	14⅜-14½	8 7/16-8¾
Six months	16⅞-17	14 7/16-14 9/16	13 9/16-13 13/16	11¼-11½	5⅝-5¾	8 9/16-8 11/16	13¼-13½	20¼-21	14⅜-14½	8¼-8½
One year	16-16¼	13 15/16-14 1/16	13 9/16-13 13/16	11⅜-11⅝	5 9/16-5 13/16	8⅛-8⅜	13⅜-13⅝	21-22	14-14½	8-8½

Long-term Eurodollar two year 12¾-13 per cent; three years 12⅝-12⅞ per cent; four years 12¼-12½ per cent; five years 12⅛-12⅜ per cent; nominal closing rates. Short-term rates are call for sterling, U.S. dollars and Canadian: two-day call for guilders and Swiss francs. Asian rates are closing rates in Singapore.

INTERNATIONAL MONEY MARKET

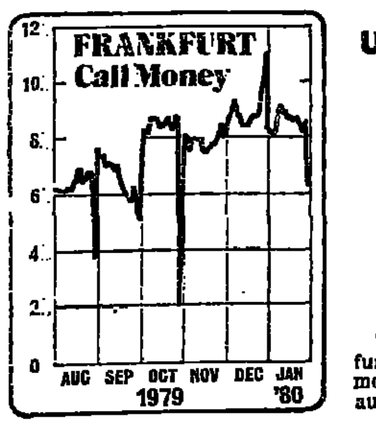
U.S. rates ease

U.S. Treasury bill rates showed lightly easier tendency yester- , with 13-week bills at 11.92 cent against 12.10 per cent 26-week bills at 11.80 per cent pared with 11.84 per cent. eral funds had eased consider- y by noon to around 13 per nt, and up until that time the ederal authorities had made no nove to drain reserves by making everse repurchase orders. Tradi- onally the Fed. intervenes some- ime between 10.30 am and noon, ut could step into the market p until 1.30 pm under normal ircumstances. Market sources uggested that the Fed may be in neutral position this week, with o necessity to add or drain nds, but suggested further that nless the authorities took money out of the system today Treasury ill yields would fall even further.

In Paris call money fell back rom Wednesday's five year peak f 12[illegible] per cent, to 12½ per cent s the technical shortages experienced on Wednesday eased. Period rates showed little change other than the one-month rate, which fell slightly to 12⅛ per cent from 12 7/16 per cent.

In Frankfurt call money showed a further fall to 6.00-6.50 per cent from 6.50-6.75 per cent on Wednesday and longer term rates were also easier where changed. Yesterday's central council meeting of the Bundesbank ended without any changes on monetary policy, and it had already been announced that no press conference would be held following the meeting.

Call money in Amsterdam was quoted on a wide spread of 10¾-11¼ per cent compared with 11⅛-11½ per cent previously, after Tuesday's announcement by the authorities of a further special advance facility of Fl 890m. Period rates remained largely unaffected, although six-month money rose to 11¼-11½ per cent from 11⅛-11⅜ per cent.



GOLD

Weaker trend

Gold fell $40 to close at $645-$655 in fairly quiet trading in the London bullion market yesterday. It opened at $675-685, and declined on general selling pressure, reflecting the lack of any significant new factors. The metal was fixed at $668 in the morning and $653 in the afternoon.

In Paris the 12½-kilo gold bar was fixed at FFr 87,000 per kilo ($664.70 per ounce) in the afternoon, compared with FFr 88,425 ($676.32) in the morning, and FFr 89,400 ($684.96) Wednesday afternoon.

In Frankfurt the 12½ kilo bar was fixed at DM 37,500 per kilo ($672.06 per ounce), compared with DM 39,180 ($703.50) previously.

	January 31		January 30	
Gold Bullion (fine ounce)				
Close	$645-655	(£284½-289)	$685-695	(£302¾-307¼)
Opening	$675-685	(£297¾-302¼)	$710-720	(£313¾-318¼)
Morning fixing	$668	(£294.728)	$703.50	(£310.953)
Afternoon fixing	$653	(£287.982)	$691	(£304.808)
Gold Coins				
Krugerrand	$642-650	(£283-286)	$685-693	(£302-307)
Mapleleaf	$642-650	(£283-286)	$685-693	(£302-307)
New Sovereigns	$154-159	(£68-71)	$172-176	(£76-78)
King Sovs	$154-159	(£68-71)	$172-179	(£76-80)
Victoria Sovs	$157-162	(£69-72)	$175-180	(£77-80)
Fr 20 Napoleon	FFr 715-725	(SFr245-255)	FFr675-685	(SFr255-265)
50 pesos Mexico	$795-815		$860-870	
100 Cor. Austria	$625-635		$665-675	
$20 Eagles	$730-740		$745-755	
$10 Eagles	—		—	
$5 Eagles	—		—	

UK MONEY MARKET

Large help

Bank of England Minimum Lending Rate 17 per cent (since November 15, 1979)

The shortage of short term funds continued in the London money market yesterday, but the authorities gave the smallest amount of assistance for nearly two weeks. Total intervention was termed as large, and comprised moderate purchases of Treasury bills, both from banks and discount houses, and a small number of corporation bills, all direct from the discount houses.

The market was helped by a moderate excess of Government disbursements over revenue transfers to the Exchequer and a small decrease in the note circulation. These were outweighed by the repayment of Wednesday's moderate official loans and the unwinding of a small number of bills on a previous sale and repurchase agreement. Funds were also drained by end of month oil payments and a small net take up of Treasury bills. Discount houses were paying up to 17 per cent for secured call loans, but rates eased later in the day to 16¼-16¾ per cent.

In the interbank market overnight money opened at 17⅞-18¼ per cent and eased on the forecast of a moderate shortage to 17¼-17⅜ per cent before coming back to 17¾-18 per cent for late morning and into early afternoon. Rates then eased, pausing briefly at 17-17½ per cent, to 16¼-16¾ per cent, with late balances taken anywhere between 15 per cent and 17 per cent.

LONDON MONEY RATES

Jan. 31 1980	Sterling Certificate of deposit	Interbank	Local Authority deposits	Local Auth. negotiable bonds	Finance House Deposits	Company Deposits	Discount market deposits	Treasury Bills ⊕	Eligible Bank Bills ⊕	Fine Trade Bills ⊕
Overnight	—	15-18⅛	—	—	—	17½-17¾	16¼-17	—	—	—
2 days notice	—	—	18-18⅛	—	—	—	—	—	—	—
7 days or	—	—	—	—	—	—	—	—	—	—
7 days notice	—	17⅞-18⅛	18-18¼	—	18¼	18	15⅞-17	—	—	—
One month	18¼-17 15/16	17⅞-18	17⅞-18	18¾-18⅛	18¼	17⅞	16¾	15 11/16-15 9/16	17⅞-18	18⅛
Two months	18⅛-17 15/16	17 15/16-17 13/16	—	18⅛-18	18¼	—	16⅛	15 [illegible]-15¼	17⅝	18½
Three months	17 13/16-17 11/16	17¾-17⅞	17 11/16-17¾	17⅞-17⅝	18¼	17⅞	16¼-16⅜	15 [illegible]-15 [illegible]	17 [illegible]	17¼
Six months	16¾-16 9/16	16¾-16⅞	16½-16⅝	16⅝-16⅛	17	—	—	—	15¾-16	16½
Nine months	15 [illegible]-15 [illegible]	16-16⅛	—	15¼-14¾	16¼	—	—	—	—	—
One Year	15½-15⅜	15⅛-15¼	16½-15⅞	15⅝-15⅜	16	—	—	—	—	—
Two years	—	—	15⅜-15½	—	—	—	—	—	—	—

Local authorities and finance houses seven days' notice, others seven days fixed. *Long-term local authority mortgage rates nominally three years 15¾-15⅞ per cent; four years 15-15¼ per cent; five years 14⅞-15⅛ per cent. ⊕Bank bill rates in table are buying rates for prime paper. Buying rates for four-month bank bills 16 9/32-16⅜ per cent; four-month trade bills 17¼ per cent.

Approximate selling rates for one-month Treasury bills 15 11/32-15½ per cent; two-months 15 7/32-15⅝ per cent; three-months 15¼-15 13/16 per cent. Approximate rate for one-month bills 17½-17¼ per cent; two-months 17¼-17½ per cent; three-months 16 15/16 per cent; one-month trade bills 18½ per cent; two-months 18¼ per cent and three-months 17 per cent.

Finance Houses Base Rates (published by the Finance Houses Association) 17 per cent from February 1, 1980. Clearing Bank Deposit Rates for sums at seven days' notice 15 per cent. Clearing Bank Rates for lending 17 per cent. Treasury Bills: Average tender rates of discount 16.7443 per cent.

ONEY RATES

EW YORK

rime Rate	15¾
d. Funds	13
easury Bills (13-week)	11.92
asury Bills (26-week)	11.80

RMANY

count Rate	6
rnight Rate	6.25
month	8.75
e months	8.90
months	8.75

NCE

unt Rate	9.5
ight Rate	12.125
month	12.125
months	12.3125
onths	12.25

N

nt Rate	6.25
(Unconditional)	8.1875
Discount (three-month)	8.625

WORLD STOCK MARKETS

NEW YORK

Stock	Jan. 30	Jan. 29
AMF	14⅝	14¾
AM Intl	17½	16¾
ARA	32⅞	31¾
ASA	50¼	52⅜
Abbotts Labs	38⅜	38⅛
Acme Cleve	33⅜	32⅝
Adobe Oil & Gas	47⅝	45⅝
Aetna Life & Gas	36½	35⅞
Ahmanson (H.F.)	20⅝	21
Air Prod & Chem	37⅞	37⅜
Akzona	14½	14¼
Albany Intl	39¼	29¼
Alberto-Culv	10	10
Albertson's	39½	39⅝
Alcan Aluminium	61¼	59¼
Alco Standard	33⅝	33⅛
Allegheny Ludm.	36⅜	34¾
Allied Chemical	57⅜	56
Allied Stores	22⅞	23
Allis-Chalmers	30¼	30⅛
Alpha Portd	16½	16½
Alcoa	62¼	61⅝
Amal. Sugar	31¾	30¼
Amax	54	51¾
Amerada Hess	55¾	54⅛
Am. Airlines	11¼	11⅛
Am. Brands	67	66⅝
Am. Broadcastg.	35¾	35¾
Am. Can	35¼	35⅛
Am. Cyanamid	32⅞	33
Am. Elect. Pwr	18⅜	18¼
Am. Express	31	31⅜
Am. Gen. Insnce.	38⅛	38⅛
Am. Hoist & Dk	20¼	20⅜
Am. Home Prod.	26⅛	26¼
Am. Medical Int.	36¼	34⅞
Am. Motors	9⅛	8⅝
Am. Nat Resces.	49⅝	49¾
Am. Petfina	44½	42⅛
Am. QuasarPet.	33¾	32¾
Am. Standard	56	55½
Am. Stores	28	28
Am. Tel. & Tel.	50½	50⅞
Ametek	25⅝	25¼
Amfac	28½	26⅞
AMP	38¾	37¾
Ampex	19⅞	19¼
Amstar	23	22⅛
Amstead Inds	41½	41¼
Anchor Hockg	16⅝	16½
Anheuser-Bh	24⅝	24
Arcata	26¼	26¾
Archer Daniels	36½	36⅛
Armco	31¼	31⅛
Armstrong Ck	16½	15⅞
Asamera Oil	22½	22⅝
Asarco	51⅜	51⅞
Ashland Oil	41⅜	40⅜
Assd D Goods	21	21⅛
Atlantic Rich	97¼	92½
Auto-Data Prg.	39¾	39¼
Avco	27⅜	28
Avery Intl	19⅞	20⅝
Avnet	28⅛	27¾
Avon Prods	36⅝	37¾
Baker Intl.	63⅛	62
Balt. Gas & El.	21½	21⅞
Bancal Trist	32⅞	33
Bangor Punta	28	28½
Bank America	25	25⅛
Bank of NY	36	35½
Bankers Tst. NY.	43⅝	43⅝
Barry Wright	24¼	24
Bausch & Lomb	37⅝	37¼
Baxt Trav Lab	41⅞	43
Beatrice Foods	21½	21⅛
Beckman Instr	31¾	31
Beech Aircraft	61¾	60¼
Beker Inds	13⅜	13½
Bell & Howell	24½	24⅜
Bendix	54¾	54
Beneficial	23½	23¾
Beth Steel	24¾	24⅜
Big Three Inds	47⅛	46⅜
Black & Decker	22⅛	22
Block HR	26¼	25⅞
Blue Bell	35¾	35¼
Boeing	68¼	67
Boise Cascade	37⅛	37⅝
Borden	23¾	23⅞
Borg-Warner	34¾	35¼
Braniff Intl.	10⅛	9⅞
Briggs Stratn	24⅛	24⅛
Bristol-Myers	35⅛	34¾
BP	32⅝	32¼
Brockway Glass	14⅞	14⅝
Brown	17⅞	17½
Brown Forman B	40½	39⅛
Brown Grp	27¼	27⅝
Brown & Sharp	29¾	30
Browng-Ferris	17⅝	17¼
Brunswick	14	14
Bucyrus-Erie	20¾	21½
Burlington Ind	17½	17¼
Burlington Nthn	69	66¼
Burndy	32¾	32¾
Burroughs	82	82
CBI Inds	43¼	41⅞
CBS	51¾	52
CIT Financial	50⅞	51
CPC Intl	69¾	70⅛
Campbell Red L	31	30⅝
Campbell Soup	30¾	30⅛
Campbell Tagg	27⅛	26¾
Canal Randolph	15½	15¾
Can. Pacific	38⅝	37⅝
Carlisle Corp	24⅛	24⅜
Carnation	25⅛	25
Carp Tech	31⅞	31⅞
Carter Hawley	17	16⅞
Caterpillar	57¼	56¾
Celanese Corp	48½	48½
Centex	46½	44⅛
Central & SW	13⅛	13⅜
Central Soya	16	15¾
Central Tel Util	24⅜	24¼
Certain-teed	14⅝	14½
Cessna Aircraft	26¾	26⅛
Champ Home Bld	1⅜	1⅜
Champ Intl	25⅝	26
Champ Sp Plug	10¼	10⅛
Charter Co	39⅜	38⅛
Chase Manhatn	41¼	41¼
Chemical NY	39	38¾
Chese Pond	22½	23¼
Chessie System	29⅛	29¾
Chicago Pneum	24⅞	24¾
Chrysler	9¾	9½
Chubb	38⅜	38⅜
Cincinnati Mil.	35¼	35¼
Citicorp	22⅛	22⅜
Cities Service	98	94¼
City Investg	17⅛	17⅛
Clark Equipment	38¾	38½
Cleve Cliffs Iron	36	36
Clorox	9¾	9¾
Cluett Peaby	9¼	9½
Coca Cola	35	34⅝
Coca Btl. NY	6⅛	6⅛
Colgate Palm	14⅛	14
Collins Aikman	8⅛	8⅛
Colt Inds	51	51

Stock	Jan. 30	Jan. 29
Columbia Gas	40½	38⅝
Columbia Pict	35⅞	33⅝
Com. Ins. Am	19⅜	19⅜
Combustn. Eng.	62¼	63¼
Combustn.Equip	13¼	12⅝
Cmwlth Edison	20⅜	20¼
Comm. Satellite	41	41½
Compugraphic	29½	29⅜
CIG	3¾	3⅝
Comp. Science	23⅜	22¼
Cone Mills	39¼	40⅛
Congoleum	37½	37½
Conn Gen Life	35½	35¼
Conoco	54	52⅞
Conrac	21⅝	19⅝
Cons Edison	24	24
Cons Foods	25½	25⅝
Cons Freight	24	24
Cons Nat Gas	44⅝	44¾
Consumer Power	18	18¼
Conti Air Lines	10⅞	10¾
Conti Corp	28⅜	28⅜
Conti Group	31⅜	31⅜
Conti Illinois	26⅛	26¼
Conti Telep	15⅝	15¾
Control Data	60⅝	59⅜
Cooper Inds	65¼	65⅜
Coors Adolph	12¾	12⅞
Copeland	23⅛	23⅛
Copperweld	20½	20½
Corning Glass	82⅞	83¼
Corroon Black	27	27⅛
Cox Broadcast'g	64½	64½
Crane	37¾	37¼
Crocker Nat	28⅞	28⅞
Crown Cork	28	27½
Crown Zell	47½	46¾
Cummins Eng	32⅜	32
Curtiss-Wright	30	28⅜
Damon	6⅜	6¼
Dana	24⅞	24⅞
Dart Inds	40⅝	40
Data Gen	66	65⅜
Dayton-Hudson	48⅛	48½
Deere	36½	36½
Delta Air	39¼	39¼
Denny's	14¾	14⅜
Dentsply Intl	17⅞	17⅞
Detroit Edison	12⅝	12½
Diamond Intl	42¾	43¼
Diamond Shamk	34⅝	34⅞
DiGiorgio	13	13⅝
Digital Equip	74⅛	72¼
Dillingham	13¼	13⅜
Dillon	16½	16¼
Disney (Walt)	46⅞	46¾
Dome Mines	61	59¾
Donnelley (RR)	27⅞	27⅞
Dover Corp	38½	37⅛
Dow Chemical	35⅝	34⅛
Dow Jones	48¾	48¼
Dravo	36⅛	36
Dresser	59	58¼
Dr. Pepper	15½	14⅞
Duke Power	16⅝	16½
Dun & Brad	43	43
Du Pont	41	41
EG & G	54½	54⅝
EMI	3⅛	3⅛
Easco	17⅝	17¾
Eastern Airlines	9⅛	8⅞
Eastern Gas & F.	23⅛	23¼
Eastman Kodak	49⅜	49⅛
Eaton	26½	26½
Echlin Mfg	17¾	17⅛
Eckerd Jack	26¾	26⅝
Electronic Data	24¼	24⅛
Elect Memories	5⅜	5¼
El Paso	28¼	25⅜
Emerson Elect	34⅝	34½
Emery Air Fgt	15⅜	15⅜
Emhart	27¾	28
Engelhard MC	34⅛	32¾
Enserch	29¾	28¾
Envirotech	13¼	13⅛
Esmark	28¼	28¼
Ethyl	29⅝	29⅜
Evans Prods	22½	22⅝
Ex Cell O	42½	41⅛
Exxon	60⅞	59½
FMC	29⅝	30
Faberge	12¾	12¼
Fedders	4¼	4⅜
Federal Co	37	37
Federal-Mogul	17⅞	17¼
Fed. Nat. Mort	14¼	14¼
Fed. Paper Brd	31	30⅛
Fed. Resources	9⅛	9¼
Fed. Dep. Stores	26¾	26¾
Fieldcrest Ml	27	27⅝
Firestone	8¾	8⅝
1st Bank System	37¾	37¾
1st Charter Fin	13⅜	13⅛
1st Chicago	14⅞	14⅛
1st City Bank Tex	41⅜	41¼
1st Intl Banc	40⅝	40⅜
1st Mississippi	32½	31⅜
1st Nat. Boston	32⅜	32½
1st Penn	8⅞	8⅞
Fisons	6¼	6¼
Fleetwood Ent	8½	8½
Flexi-Van	16⅛	15⅞
Flintkote	54¾	54¾
Florida Pwr & L	23⅝	23⅝
Ford Motor	33⅝	33⅛
Foremost McK	27	26⅜
Foster Wheeler	28	27⅝
Foxboro	40⅞	41
Franklin Mint	10	9¾
Freeport Minl	54¼	59½
Fruehauf	28⅞	29¼
GAF	10¾	9⅞
GATX	39⅝	39½
GK Technologies	27½	26⅝
Gamble-Skogmo	33⅛	33½
Gannett	46½	46¼
Geico	28⅝	28¾
Gen Am Invest	13⅝	13⅞
Gen Cinema	23	22¾
Gen Dynamics	84¾	80
Gen Electric	56	54⅜
Gen Exploration	4½	4½
Gen Foods	29¼	29
Gen Instrument	51⅛	51
Gen Mills	24⅞	24⅝
Gen Motors	55⅜	54¼
Gen Portland	16	16¼
Gen Pub Utilities	8⅛	8⅜
Gen Reinsce	88½	88
Gen Signal	38	38¼
Gen Telep Elec	27⅛	27
Gen Tire	18¼	18⅝
Genesco	3⅞	3⅞
Genuine Parts	24¾	24½
Georgia Pac	29	29¼
Geosource	57¾	58⅛
Gerber Prod	24¾	24¾
Getty Oil	91½	90¾
Giddings Lewis	35¼	34¾
Gillette	25¼	25½
Global Marine	50½	49½
Goodrich (BF)	19⅞	20⅜
Goodyear Tire	15⅞	15⅛
Gould	25¼	25
Grace	43½	40⅛
Grainger (WW)	39⅜	39⅝

Stock	Jan. 30	Jan. 29
Gt. Atl. Pac. Tea	7¾	7¾
Gt. Basins Pet	23¼	23⅞
Gt.Nthn.Nekoosa	36	35
Gt.West Financl	18⅜	18
Greyhound	17¼	16⅞
Grumman	30½	30¼
Gulf & Western	18¾	18⅝
Gulf Oil	40¼	39⅜
Hall (FB)	26⅝	25¾
Halliburton	98	96½
HammermillPpr.	23¼	23⅜
Handleman	11¼	11⅝
Hanna Mining	37½	37
Harcourt Brace	34⅛	34⅛
Harnischfeger	13⅞	14
Harris Bancp	28⅛	28⅛
Harris Corp	37¾	37¼
Harsco	34	33⅞
Hecla Mining	45⅞	47
Heinz (HJ)	42¾	41½
Heller Intl.	23	22⅝
Hercules	22¼	22
Hershey	24½	24¾
Heublein	31½	31½
Hewlett Pkd	59	56
Hilton Hotels	34½	34⅝
Hitachi	44¼	44¾
Hobart Corp	16½	16¼
Holiday Inns	18⅜	18⅝
Holly Sugar	46½	47⅜
Homestake	59¼	60⅝
Honeywell	91⅛	91⅜
Hoover	12⅛	12⅛
Hoover Univl	18	17⅞
Hormel Geo	35⅛	29⅜
Hospital Corp	47¼	47¼
Household Fin	17⅜	17⅜
Houston Inds	29¾	—
Houston Nt Gas	44⅞	43⅞
Houston Oil Min	26⅞	27
Howard Johnson	24½	24¼
Hudson Bay Mng	30¼	29⅞
Hughes Tool	59⅞	58¾
Humana	48⅞	47⅜
Hunt (Philip A)	12	12½
Husky Oil	70¾	68½
Hutton (EF)	22⅞	22⅝
Huyck	14	13⅝
IC Inds	24	23¾
INA Corp	53⅜	53
IU Intl	13⅛	12¾
Ideal Basic Ind	24¼	24⅜
Ideal Toy	5¾	5⅝
ICI ADR	8⅝	8⅝
Imp. Corp. Amer	20⅞	20⅞
INCO	28⅛	27¼
Ingersoll Rand	60½	60⅛
Inland Steel	32⅜	31¾
Intel	68½	68½
Interlake	29¼	29¾
IBM	70⅜	70⅜
Int. Flavours	20⅜	20¼
Int. Harvester	32⅜	33
Int.Income Prop.	10½	10½
Int. Multifoods	17⅞	18¼
Int. Paper	39¾	39¼
Int. Rectifier	28	27⅞
Int. Tel & Tel	28½	27½
Iowa Beef	28	28½
Irving Bank	35⅛	35¼
James (FS)	25	25
Jeffn-Pilot	30	29¾
Jewel Cos	28	27⅞
Jim Walter	29⅞	30¼
Johns Manville	23½	23½
Johnson Contr	28¼	28
Johnson & Jns	75⅝	75
Johnathn Logan	9¼	9¼
Jostens	21¼	21⅝
Joy Mfg	37	37
K Mart	21⅜	21¾
Kaiser Alumin	22⅞	21½
Kaiser Inds	2⅛	2⅛
Kaiser Steel	31½	31⅜
Kaneb Services	26	26
Kaufman Brd	9⅞	10
Kay Corp	18⅞	19¼
Kellogg	18⅜	18¼
Kennecott Cpr	40¼	39½
Kennametal	67¾	64⅞
Kerr-McGee	74½	74⅞
Kidde Walter	37⅜	36⅝
Kimberly-Clk	43⅛	43⅜
King's Dept. St	11⅝	11½
Knight Rdr. Nws	24⅜	24⅜
Koehring	22¼	20½
Koppers	27⅛	27⅜
Kraft	45¼	46
Kroehler	7⅞	8
Kroger	17¾	17⅞
LTV	11¾	11¾
Lanier Bus. Prod	28	28⅛
Lear Siegler	28¼	27⅜
Leaseway Trans.	23⅝	23¾
Leesona	40⅛	40⅞
Lenox	26	25⅛
Levi Strauss	34¼	32⅞
Levitz Furntr	27	26¾
Libby Owens Fd.	25⅞	25⅝
Liggett Group	40	40½
Lilly (Eli)	57¼	56⅞
Lincoln Nat.	44½	43¾
Litton Inds	56¾	55⅝
Lockheed	47⅜	46⅝
Loews	70¼	69⅞
Lone Star Inds	29¾	29¾
Longs Drug Strs.	26¼	26⅜
Louisiana Land	56⅝	53⅝
Louisiana Pac.	23⅝	25¼
Lowenstein	9⅝	9⅝
Lubrizol	63⅛	62⅞
Lucky Strs	14⅞	14⅞
MCA	55¾	55⅛
Macke	8⅞	9⅛
MacMillan	14⅝	14⅝
Macy	55	54¾
Madison Fund	18½	18¾
Mfcrs Hanover	31¾	31½
Mapco	43⅜	44
Marathon Oil	62	62⅛
Marine Mid	21¼	20¾
Marley	24	23½
Marriott	23⅞	22
Marsh McLenn	67⅝	68
Marshall Field	20¼	20
Martin Mtta	55½	54½
Maryland Cup	28½	28½
Masco	26⅝	26¾
Massey-Fergn	10¼	9¾
Mass Mutl Corp.	14	14⅛
Mattel	8⅛	7⅞
May Dept Strs	23½	23⅜
Mayer (Oscar)	19¾	19⅛
Maytag	25½	25½
McCulloch Oil	13⅞	12⅝
McDermott (JR)	35	33½
McDonald's	44⅝	44⅝
McDonnell Doug.	50	48⅞
McDonough	30¼	30
McGraw Edison	28¼	28½
McGraw-Hill	30¼	30¼
McLean Truckg	12	12⅜
Mead	27	27
Media Genl	27¼	27¼
Mellon Natl	28⅛	28⅛
Melville	28⅜	27¾
Memorex	18¾	19⅜
Mercantile Strs	39¼	39¼
Merck	69¾	68⅞
Meredith	38¾	38¼
Merrill Lynch	24¼	23⅞

Stock	Jan. 30	Jan. 29
Mesa Petroleum	64	62
MGM	20	19½
Metromedia	71¾	72
Milton Bradley	34⅝	34⅝
Minnesota MM	49¾	49⅝
Missouri Pac	53⅝	53¾
Mobil	68¼	65⅞
Modern Merchg.	13⅝	13¾
Mohasco	9¾	9½
Monarch M/T	28¾	29⅛
Monsanto	56⅞	54⅛
MooreMcCrmk	47⅛	46
Morgan (JP)	46⅞	48¾
Motorola	58½	59¾
Munsingwear	14¼	14⅛
Murphy (GC)	14¼	14⅜
Murphy Oil	106¾	102¾
Nabisco	23	22⅞
Nalco Chem	32¼	31⅞
Nat. Can	21⅞	22¼
Nat. Detroit	28⅝	28⅞
Nat. Dist. Chem.	30⅞	31⅛
Nat. Gypsum	23¼	22⅞
Nat. Semiconductr	37⅝	37
Nat. Service Ind.	20⅝	20⅞
Nat. Standard	16¾	17
Nat. Steel	28⅝	29
Natomas	40⅛	39⅜
NCNB	13¾	14⅛
NCR	76½	74⅞
New England El.	20¾	20⅞
New Eng. Tel.	32¼	33⅛
NY State E & G	15½	15¼
NY Times	22½	22¼
Newmont Mining	53⅜	52
Niag. Mohawk	12¼	12⅜
Nielsen (AC) A.	29½	30
NL Industries	39¼	38
NLT	27¾	26½
Norfolk & Westn	29½	29⅜
Nth. Am. Coal	46⅝	47⅛
Nth. Am. Philips	29⅞	29⅝
Nthn. Nat. Gas	54¾	56½
Nthn. State Pwr.	20⅜	20¾
Northgate Exp.	13	13¼
Northrop	56⅞	57⅛
Nwest Airlines	30	30½
Nwest Bancorp	24⅜	24¾
Nwest Inds	35⅝	35¼
Nwestn Mutual	9⅞	9¼
Nwestn Steel W.	27¼	27¼
Norton	38¼	36⅜
Norton Simon	14½	14⅜
Occidental Pet	29¼	27⅝
Ogden	36⅝	37
Ogilvy & Math	23¾	23¾
Ohio Edison	13¼	13⅝
Okla. Nat. Gas	21⅝	21¼
Olin	17½	17½
Omark	37¼	37⅛
Outboard Marine	15	14¾
Overseas Ship	37⅛	36⅝
Owens-Corning	28¾	29⅛
Owens Illinois	23¼	22⅞
PHH Group	24⅜	24¼
PPG Inds	32¼	32¼
Pabst Brewing	13⅛	11
Pac. Gas & Elect	21⅝	21¾
Pac. Lighting	21⅞	21⅝
Pac. Lumber	54½	53⅝
Pac Tel & Tel	12¾	12⅞
Palm Beach	16⅜	16⅜
Pan Am Air	5⅝	5⅝
Pan Hand Pipe	63	60¾
Parker Drilling	46⅝	45⅝
Parker Hanfn	29⅜	29¼
Peabody Intl	26¼	26
Penney JC	25⅛	24⅞
Pennwalt	34	34
Pennzoil	48	47⅛
Peoples Gas	46¼	44¾
Pepsico	24⅝	23⅞
Perkin-Elmer	46	44⅝
Petrie Stores	31⅛	30½
Petrolane	33¾	33½
Pfizer	37¼	37½
Phelps Dodge	40⅝	38¾
Phila. Elect	14⅛	13⅞
Philip Morris	34½	35
Phillips Pet	54⅛	54⅜
Pillsbury	35	35
Pioneer Corp	42¼	40¼
Pitney-Bowes	32¼	32⅛
Pittston	27⅝	27½
Planning Rsch	7¾	7⅝
Plessey	29⅛	28¾
Polaroid	23¼	24⅛
Potlatch	35⅜	34⅛
Prentice-Hall	23	23⅛
Proctor Gamble	72⅝	73
Pub. Serv. E & G	17¾	18¼
Pub. S. Indiana	22¼	22¼
Pullman	31⅝	31¼
Purex	16¾	16⅝
Purolator	30¾	30⅛
Quaker Oats	30¾	31⅛
Quanex	23¾	24¾
Questor	7	6⅞
RCA	22½	22¼
RTE	8	8
Ralston Purina	11⅞	11¾
Ramada Inns	8	7⅞
Rank Org ADR	4⅝	4⅝
Raytheon	82¼	80
Reading Bates	38⅞	39⅛
Redman Inds	10⅜	10⅛
Reeves Bros	30¼	30
Reichhold Chem	13⅝	13⅝
Reliance Grp	62	62
Republic Steel	24⅝	24¼
Rep of Texas	28⅛	27¾
Resch Cottrell	18½	18½
Reserve Oil Gas	34⅞	34⅞
Resorts Intl A	33¼	31⅜
Revco (DS)	26⅝	26¼
Revere Copper	17	16½
Revlon	42⅝	42⅝
Rexnord	17⅝	17¼
Reynolds (RJ)	54⅛	54⅛
Reynolds Mtls	36	36⅛
Rich-Merrell	22¼	22¾
Rite Aid	27⅛	27¼
Roadway Exps	27¼	27
Robins (AH)	9¼	9⅛
Rochester Gas	13¾	13⅞
Rockwell Intl	61¾	62¼
Rohm & Haas	43	43⅞
Rollins	28	28⅛
Rolm	47⅜	47⅜
Roper Corp*	10⅝	10½
Rowan	48	48¼
Royal Crown	14⅜	14⅜
Royal Dutch	82¼	82⅜
Rubbermaid	29⅞	29¾
Russell Stvr	15⅞	16
Ryan Homes	22⅛	22
Ryder System	25¾	26
SPS Technolog	34¼	33¾
Safeco	37¼	37¼
Safeway Stores	34⅞	35¾
St. Joe Minls	39½	39
St. Louis-San F.	63⅞	62¼
St. Paul Cos.	41¼	42⅜
St. Regis Paper	33⅛	32¾
Santa Fe Inds	59	56½
Santa Fe Intl	40¼	40¼
Saul Invest	7⅞	8
Saxon Inds	8¼	8
Schering Plo	36	35¾

Stock	Jan. 30	Jan. 29
Schlitz Brew. J.	8⅝	8⅜
Schlumberger	107	101⅞
SCM	23½	23
Scott-Foresman	25½	25½
Scott-Paper	19½	18⅞
Scudder Duo V	10⅝	10⅞
Sea Contrs	17⅞	16⅝
Seabrd Coast L	34⅞	35
Seagram	44¾	43⅞
Sealed Power	25⅝	25
Searle (G D)	22	19⅞
Sears Roebuck	17½	17¼
Seatrain Lns	7⅝	7⅜
Security Pac	30⅞	30⅞
Sedco	65	62¾
Shell Oil	65⅛	66⅞
Shell Trans	32½	33¼
Sherwin-Wms	34⅞	32½
Signal	44¼	43¼
Signode	36¼	36½
Simplicity Patt	10¼	10
Singer	9¼	9⅛
Skyline	12⅝	12⅝
Smith Intl	78¼	76⅝
Smith Kline	59	68⅞
Sonesta Intl	12¾	12¾
Sony	7¼	7⅛
Southeast Bankg	15¼	15⅝
Sthn Cal. Edison	23	23
Southern Co.	11⅝	11½
Sthn Nat. Res.	56¼	56½
Sthn N. Eng. Tel.	34⅛	34⅜
Sthn Pacific	42	41⅛
Sthn Railway	63⅜	62½
Southland	27¾	28⅛
SW Bancshares	25	25⅛
Sperry Corp	58⅝	59⅝
Spring Mills	18⅛	18¼
Square D	21⅛	21⅛
Squibb	36⅞	36¾
Std Brands	32½	31⅛
Std Brds Paint	24½	24⅜
Std Oil California	61⅝	61⅛
Std Oil Indiana	88	86½
Std Oil Ohio	102½	98¼
Stanley Wks	37¼	37½
Stauffer Chem	18¾	18⅜
Sterling Drug	19⅞	19⅞
Stevens (JP)	15½	15
Stokely Van K	28¾	28⅞
Storage Tech	14¾	14¾
Sun Co	79¾	78
Sunbeam	20⅞	21⅜
Sundstrand	41¼	41
Superior Oil	154	151½
Super Val. Strs	22⅜	22
Syntex	41½	41
TRW	47	46⅜
Taft	31½	32½
Tampax	29½	29½
Tandy	32⅛	31⅜
Tektronix	60¼	60¼
Teledyne	149⅜	145¼
Tenneco	42⅞	42½
Tesoro Pet	21⅜	22
Texaco	36⅛	35⅜
Texas Comm. Bk	48	48¼
Texas Eastern	67	67¼
Texas Gas Trn	31¼	30¼
Texas Instrmts	107¼	102⅝
Texas Oil & Gas	37¾	36¼
Texas Utilities	16⅝	16¾
Texasgulf	47¾	45½
Textron	28¾	29⅝
Thomas Betts	45	43¼
Tidewater	40	38½
Tiger Intl	24½	24½
Time Inc	50	50⅞
Times Mirror	39⅛	39¼
Timken	56	56⅜
Tipperary	19¼	19
Tonka	14⅛	13¾
Total Pet	24¼	24⅛
Trane	19½	20
Transamerica	19⅛	19
Trans Union	35¾	36
Transway	27	26⅝
Trans World	16⅛	16
Travelers	40⅝	40⅞
Tri Continental	19½	19¼
Triton Oil Gas	20	20
20th Cent. Fox	51¼	49
Tyler	15¾	15⅝
UAL	24¼	24¼
UMC Inds	14	14
UNC Resources	24	23⅜
UV Inds	26¾	27⅛
Unilever NV	60	60
Union Camp	45⅛	45
Union Carbide	44½	44⅞
UnionCommerce	9⅝	10
Union Oil Cal	54⅛	54
Union Pacific	78¼	78¼
Uniroyal	4¼	4
Utd Brands	13⅛	13
Utd Energy Res	70¾	67⅞
US Fidelity G	39¼	39⅛
US Filter	15¾	15⅝
US Gypsum	33¼	33⅝
US Home	16⅛	16⅛
US Inds	9⅛	9
US Shoe	18⅜	18⅜
US Steel	19⅜	18½
US Surgical	29¾	30
US Tobacco	33¼	33⅞
US Trust	22	22
Utd Technolgs	52	51⅞
Utd Telecomms	17⅞	17¼
Upjohn	48⅛	48¼
VF	21⅝	21¼
Varian Assocs	34¼	33¼
Varnitron	11½	10⅝
Virginia EP	10⅝	10¾
Vulcan Matrls	35¾	35⅝
Walker (Hiram)	33¾	32⅜
Wallace Murray	26¾	25⅞
Wal-Mart Stores	35¼	35¼
Warnaco	14⅜	12¾
Warner Comms	54½	53¾
Warner-Lambt	22½	22½
Warner Swasey	78½	77
Washington Post	20	20⅛
Waste Mangt	44¼	43⅛
Weis Mkts	25⅜	25¼
Wells Fargo	28	27½
W. Point Peppl	32½	33⅜
Western Airlines	10⅛	9⅞
Westn. Bancorp.	33¾	33⅞
Westn. Nth.Amer	42⅜	40⅞
Westinghouse	25¾	24⅛
Westvaco	34¾	34½
Weyerhaeuser	33½	33¾
Wheelabratr F.	38⅛	37½
Wheeling Pitts	20¼	20¼
Whirlpool	17¾	17⅝
White Consoltd	26¼	25½
White Motor	8⅝	8½
Whittaker	24⅝	23⅞
Wickes	16¼	16
Williams Co	38⅛	35⅞
Winn-Dixie Str	25	25
Winnebago	2¼	2¼
Wisc Elec Power	22⅝	22⅝
Woolworth	24	23⅝
Wrigley	78¼	78½
Wyly	7¼	7
Xerox	64¾	65¾
Yellow Frt Sys	15¾	15¾
Zapata	32¼	28¾
Zenith Radio	10⅜	10⅛
U.S. Trs 4% 1980	99⅞	99⅞

Fresh early Wall St. strength

IN VERY HEAVY early trading, Wall Street staged a fresh advance, but was well below the morning's best at mid-session.

The Dow Jones Industrial Average, after Wednesday's rise of 7.51, was 9.90 higher at $891.81 at 10.30 am yesterday, but slipped back to $88.57 at 1 pm to leave a net gain of 6.66 on the overnight level. The NYSE All Common Index was 37 cents up on balance at $66.51, after touching $66.75. Gains at mid-session led declines by a nine-to-five ratio, while volume expanded to 48.43m shares from Wednesday's 1 pm level of 36.53m.

Analysts said the sharp improvement just before the close on Wednesday had prompted a strong flow of buying orders before the opening yesterday morning, including increased demand from Europe.

Many investors now view equities as a hedge against inflation, they added, and are moving money into stocks rather than debt. The market was also helped by corporate dividend news.

The Oil group continued to strengthen, but many Defence issues were hit by profit-taking, while Gold and Silver shares slipped as Bullion prices weakened.

Volume leader Westinghouse Electric gained a net ⅛ to $26⅞, after hitting $27 at one point, its best level since 1973. Westinghouse has raised the quarterly dividend for the first time in seven years.

Exxon, which also increased its dividend, rose 1⅜ to $62¼. Active Texaco put on ¼ to $36⅞, Cities Service $2 to $100, Sun $2⅛ to $81⅞ and Superior Oil $1 to $155.

In the Defence group, Grumman receded $2⅛ to $28⅜, Lockheed $1½ to $45⅞, Litton ⅜ to $56¼, Boeing ⅝ to $67⅝ and McDonnell Douglas $1 to $49.

Textron, which added ⅛ at $29¼, has reached a settlement with the Securities and Exchange Commission over failure to disclose $5.4m. in overseas payments from 1971 to 1978.

St. Joe Minerals reported lower December-quarter net profits and lost $1 to $38½.

THE AMERICAN SE Market Value Index was ahead 1.44 at 277.81 at 1 pm, after reaching 279.41. Volume 6.58m. shares (4.74m.).

Closing prices for North America were not available for this edition.

Canada

A further sharp and widespread advance took place yesterday morning in extremely busy dealings. The Toronto Composite index rose 20.4 to 2,046.0 at mid-day, while Golds added 32.8 at 3,065.8, Oil and Gas 32.6 at 4278.5 and Metals and Minerals 35.1 at 2,206.4. In Montreal, Papers climbed 7.10 to 204.97 and Banks 3.30 to 330.51.

Tokyo

With the overnight Wall Street rise aiding sentiment, the Tokyo market gained ground in early dealings, but the gain was more than erased later when substantial profit-taking occurred towards the close. There was a heavy trade of 650m shares, well above Wednesday's 480m.

The Nikkei-Dow Jones Average improved more than 20 points more prior to closing 8.44 down on the day at 6,768.16. The Tokyo SE was a net 0.44 easier at 467.66, while falls finally outnumbered rises on the First Market section by 384 to 267.

However, Non-Ferrous Metals recorded sharp gains, boosted by rumours that the Soviet Union is actively buying such strategic materials as aluminium, copper and zinc on the European commodity markets. Nippon Mining advanced Y52 to Y365 and Dowa Mining Y84 to Y844.

Machine Tools were also higher on news of record Japanese machine tool orders in December, Toshima Machine gaining Y15 to Y426 and Ixegai Iron Works Y13 to Y340.

Oils, Steels, Trading Houses, Shipbuildings and export-orientated issues mainly closed lower, with Nippon Oil losing Y30 to Y1,890, Teikoku Oil Y34 to Y956, Mitsubishi Y18 to Y721, Pioneer Electronic Y20 to Y1,860 and Yamaha Motor Y16 to Y7,909.

Germany

The recent rallying tendency gathered pace yesterday, with shares advancing over a broad front on strong fresh foreign buying as well as domestic institutional demand. This resulted in a sharp revival in trading volume and left the Commerzbank index with a further 9.0 recovery at 715.8.

Motors, depressed of late by oil price rise worries, picked up sharply, BMW gaining DM3, Daimler-Benz DM 4.50 and Volkswagen DM 5.

Machine Manufacturers were particularly strong, Deutsche Babcock rising DM 12 and Linde DM 7.50.

Deutsche Bank moved ahead DM 4.50 and Bayerische Vereinsbank DM 6, while Schering, in Chemicals, were up DM 7.50.

Australia

The recent buoyant trend continued, with trading dominated by fresh strong support for Mining stocks, especially the Heavyweights, and some Oil issues. The Sydney All Ordinaries index moved ahead 9.70 further to a new record of 862.87, while the Metals and Minerals index climbed 115.91 to 5,5825.79.

Copper issues featured strongly from the opening. Copper advanced on the London Metals Exchange overnight, while in Australia, MIM raised its price A$2,500 a tonne and Electrolytic Refining and Smelting topped that with a new record price of A$2,540.

As the day wore on, Golds, Silver and Lead issues, Beach Sands and Uranium Minings joined in the advance.

BH South advanced 28 cents to A$5.70, Peko-Wallsend 40 cents to A$9.60, MIM 18 cents to A$6.20, Bougainville Copper 11 cents to A$3.56, CRA 14 cents to A$6.10, Western Mining 20 cent sto A$4.90 and Queensland Mines 30 cents to A$7.80. Kathleen Investments, up A$1.50 on Wednesday, closed only 10 cents higher at A$8.60 after sales as high as A$9.40.

Among Golds, Central Norseman put on 20 cents to A$7.20, GNK 30 cents to A$4.40 and Poseidon 10 cents to A$2.95 despite the overnight Bullion price fall in New York.

Santos stood out in higher Oils with a rise of 60 cents at A$9.00.

On the Industrial boards, White Industries shot ahead A$3.00 more to A$13.00 in Melbourne on heavy volume for a two-day gain of A$4.80 amid rumours that the Japanese Mitsubishi Group may increase its shareholdings. Bank NS Wales added 16 cents at A$3.24 and Pioneer Sugar 15 cents at A$3.30.

Hong Kong

Following Wednesday's sharp setback the market picked up in the first hour of trading, but fresh profit-taking later ensued to leave mixed price movements on balance. Turnover was much below the recent high daily levels.

The Hang Seng index, after retreating 23 points the previous day from its six-year peak, closed 6.09 lower at 907.50, partly weighed down by index constituent Hongkong and Kowloon Wharf, a particularly weak spot with a fall of HK$6 at HK$64.

Hongkong Bank shed 10 cents to HK$21.40, as did Hong Kong Land to HK$14.20, but Jardine Matheson, following a higher overnight London price, regained 40 cents to HK$17.20.

Johannesburg

Gold shares were easier after active trading in line with a lower international gold price. However, there were signs of renewed London interest for shares shortly before the close, and losses were limited to about 100 cents in the higher-priced Gold issues.

Platinums and Coppers declined, but Industrials were inclined to make headway.

Indices

NEW YORK—DOW JONES

	Jan. 30	Jan. 29	Jan. 28	Jan. 25	Jan. 24	Jan. 23	1979-80 High	1979-80 Low	Since Complin High	Since Complin Low
◆Industr'ls	881.91	874.40	878.50	878.11	879.36	877.56	897.61 (5/10)	796.67 (7/11)	1051.70 (11/1/73)	41.22 (2/7/32)
H'me B'nds	71.24	71.56	71.44	71.69	72.66	72.77	86.10 (15/8)	71.24 (30/1/80)	—	—
Transport.	280.82	277.17	277.07	275.88	276.17	272.84	280.82 (30/1/80)	205.78 (27/2)	279.88 (7/2/69)	12.23 (8/7/32)
Utilities	109.27	107.75	107.75	107.58	107.91	107.71	109.74 (17/12)	98.24 (24/10)	163.32 (20/4/69)	10.52 (28/4/42)
TradingVol 000's†	51,179	55,480	56,620	47,100	59,070	60,750	—	—	—	—

◆Day's high 886.09 low 870.14

Ind. div. yield %	Jan. 25	Jan. 18	Jan. 11	Year ago (approx)
	6.40	6.40	6.30	5.66

STANDARD AND POORS

	Jan. 30	Jan. 29	Jan. 28	Jan. 25	Jan. 24	Jan. 23	1979-80 High	1979-80 Low	Since Cmpil't'n High	Since Cmpil't'n Low
‡Indust'ls	130.23	128.65	129.75	128.15	128.25	127.91	130.23 (30/1/80)	107.08 (27/2)	134.64 (11/1/73)	3.52 (30/6/32)
§Composite	115.20	114.07	114.85	113.61	113.71	113.44	115.20 (30/1/80)	96.13 (27/2)	125.85 (11/1/73)	4.40 (1/6/32)

	Jan. 23	Jan. 16	Jan. 9	Year ago (approx)
Ind. div. yield %	4.97	5.11	5.22	4.96
Ind. P/E Ratio	8.14	7.95	7.78	9.06
Long Gov. Bond Yield	10.68	10.39	10.27	8.91

N.Y.S.E. ALL COMMON

Jan. 30	Jan. 29	Jan. 28	Jan. 25	1979-80 High	1979-80 Low
66.14	65.49	65.96	65.27	66.14 (30/1/80)	53.88 (27/2)

Rises and Falls	Jan. 30	Jan. 29	Jan. 28
Issues Traded	1,903	1,906	1,907
Rises	904	514	860
Falls	623	1,031	694
Unchanged	376	361	353
New Highs	—	182	200
New Lows	—	39	39

MONTREAL

	Jan. 30	Jan. 29	Jan. 28	Jan. 25	1979-80 High	1979-80 Low
Industrial	368.36	367.30	361.31	347.20	369.98 (30/1/80)	218.19 (2/1)
Combined	341.84	333.78	329.50	326.25	341.84 (30/1/80)	225.80 (2/1)
TORONTO Composite	2025.6	1998.7	1972.7	1955.1	2025.6 (30/1/80)	1316.8 (2/1)

NEW YORK ACTIVE STOCKS

Wednesday	Stocks traded	Closing price	Change on day
Marriott	844,400	23⅞	+1⅞
Am. Tel. & Tel.	642,800	50½	−⅜
Texaco	630,100	36⅞xd	+⅜
Occidental Pet.	613,000	29¼	+1⅝
Gulf Oil	567,500	40⅛	+⅞
Phillips Pet.	515,400	54⅛	−¼
McDermott	503,300	35	+1½
Williams Co.	467,400	38⅛	+1
Amer. Express	436,800	31	−⅜
Amer. Motors	414,500	9⅛	+½

	Jan. 31	Jan. 30	Jan. 29	Jan. 28	1979-80 High	1979-80 Low
AUSTRALIA						
Sydney All Ord. (1958/59)	862.87	853.17	844.15	(c)	862.87 (31/1/80)	545.72 (2/1/79)
Metals & Mnls (1958/59)	5825.79	5769.86	5615.54	(c)	5825.79 (31/1/80)	2587.34 (2/1/79)
AUSTRIA						
Credit Aktien (2/1/62)	88.68	88.63	88.66	88.52	89.40 (7/1/80)	81.53 (2/5)
BELGIUM						
Belgian SE (31/12/63)	103.28	103.08	102.15	101.68	109.47 (5/10)	98.80 (3/1/79)
DENMARK						
Copenhagen SE (1/1/73)	91.56	91.49	91.62	91.97	97.48 (25/7)	91.46 (30/1/80)
FRANCE						
CAC General (29/12/61)	109.7	109.5	109.1	108.4	113.1 (3/10)	82.4 (19/2)
Ind Tendance (29/12/78)	107.1	106.5	106.4	106.4	107.1 (31/1/80)	95.6 (5/1/80)
GERMANY						
FAZ-Aktien (31/12/58)	227.63	224.5	224.1	225.7	266.69 (16/1/79)	218.11 (21/1/80)
Commerzbank(Dec.1953)	715.6	706.8	704.6	702.6	838.60 (19/1/79)	688.5 (21/1/80)
HOLLAND						
ANP-CBS General (1970)	84.8	84.5	84.6	83.9	94.2 (24/1/79)	81.9 (21/1/80)
ANP-CBS Indust. (1970)	67.6	67.0	67.1	66.9	85.9 (24/1/79)	65.5 (21/1/80)
HONG KONG						
Hang Seng Bank(31/7/64)	907.50	913.59	956.85	926.08	958.83 (29/1/80)	493.85 (2/1/79)
ITALY						
Banca Comm. Ital (1972)	90.83	90.85	91.57	91.88	95.85 (4/10)	68.36 (2/1/79)
JAPAN						
Dow Average (16/5/49)	6768.16	6776.60	6770.83	6753.81	6776.60 (30/1/80)	5925.87 (10/4)
Tokyo New SE (4/1/68)	467.66	468.10	467.72	467.94	468.10 (30/1/80)	455.15 (13/7)
NORWAY						
Oslo SE (1/1/72)	136.47	136.58	135.69	135.14	142.22 (16/12)	74.46 (16/1)
SINGAPORE						
Straits Times (1966)	469.21	465.99	462.18	464.99	469.21 (31/1/80)	348.34 (28/2)
SOUTH AFRICA						
Gold (1958)	(u)	542.6	527.7	515.5	566.9 (14/1/80)	228.40 (1/2)
Industrial (1958)	(u)	459.6	458.0	457.5	475.9 (16/1/80)	270.50 (2/1/79)
SPAIN						
Madrid SE (28/12/79)	100.56	100.15	100.44	(c)	102.22 (18/1/80)	98.31 (15/1/80)
SWEDEN						
Jacobson & P. (1/1/58)	374.56	379.21	377.37	381.02	401.54 (6/2)	331.37 (24/9)
SWITZERLAND						
Swiss Bank Cp. (31/12/58)	311.2	309.8	307.4	306.8	329.10 (2/5)	294.00 (3/1/79)
WORLD						
Capital Intl. (1/1/70)	—	159.5	159.5	158.2	159.5 (31/1/80)	122.2 (1/5)

Base values of all indices are 100 except NYSE All Common—50; Standard and Poors—10; and Toronto—1,000; the last named based on 1975. † Excluding bonds. ‡ 400 Industrials. § 400 Industrials plus 40 Utilities, 40 Financials and 20 Transports. c Closed. u Unavailable.

CANADA

Stock	Jan. 30	Jan. 29
Abitibi	23⅜	23⅛
Agnico Eagle	14	13⅞
Alcan Alumn	70½	67¼
Algoma Steel	36⅝	35½
Asbestos	37	37
Bk Montreal	26⅜	26½
Bk Nova Scotia	25⅜	25¼
Basic Resources	14⅛	13⅞
Bell Canada	19¾	20
Bow Valley	49⅞	48⅝
BP Canada	38	37⅞
Brascan A	24¼	24
Brinco	7⅜	7⅜
B.C. Forest	28¾	28¼
Cadillac Fairv	23½	24
Camflow Mines	20⅞	20⅞
Can Cement	13⅞	13¾
Can NW Lands	20½	19½
Can Packers	35	36
Can Perm Mtg	19¼	19⅜
Can Trustco	22	22⅛
Can Imp Bank	27⅛	27⅛
Cdn Inds	29½	28⅞
Cdn Pacific	44	43⅛
Cdn Pacific Inv	45	42⅞
Can Super Oil	226	210
Cdn Tire	26¼	25⅞
Cherokee Res	13¼	12⅞
Chieftain	44	42
Cominco	69½	64
Cons Bathst A	18¼	18
Consumers' Gas	27½	27⅜
Coseka Res	21	21½
Costain	8¼	8¼
Daon Devel	13⅝	13¾
Denison Mines	40½	41
Dome Mines	70	69
Dome Petroleum	63⅝	60⅝
Dom Bridge	16⅜	16⅛
Dom Foundries A	38½	38½
Dom Stores	20	19½
Domtar	30⅛	29¾
Falcon Nickel A	128	122½
Genstar	27⅝	27
Gt-West Life	140	127¼
Gulf Canada	130	123¾
Hawk Sid. Can	17¼	16⅝
Hollinger Ags. A	46	45½
Hudson Bay Mng	35⅜	34½
Hudson's Bay	27¼	26½
do. Oil & Gas	106⅛	101
Husky Oil	82¾	80
IAC	11¼	11⅜
Imasco	43¼	43½
Imp Oil	46¾	43½
Inco	32¾	31⅜
Indal	12¾	12⅝
Interpr Pipe	19¼	19
Kaiser Res	33¾	33¼
Mac. Bloedel	30¼	29½
Marks & Spencer	7½	7⅝
Massey Ferg	11⅝	11⅝
McIntyre Mines	80¾	78
Merland Explor	25	24½
Moore Corp	38	38
Mountain State	12⅞	12⅞
Nat. Sea Prods A	17½	17½
Noranda Mines	27⅛	26¼
Norcen Energy	37⅝	37¼
Nthn. Telecom	47¾	46¾
Numac Oil & Gas	46	45
Oakwood Pet	18	17⅝
Omni	2.75	2.80
Pacific Copper	3.40	3.30
Pan can Petrol	67	66¼
Patino	29½	30
Placer Dev	60¼	58
Power Corp	17	17
Quebec Strgn	4.55	4.65
Ranger Oil	29¼	28¾
Reed Paper B Pf	11¼	11¼
Reed Stenhs A	8½	8⅝
Rio Algom	36⅛	36
Royal Bank	44	44
Royal Trustco A	14	14⅛
Sceptre Res	13	13¼
Seagram	52¼	51
Shell Can A	34½	34⅛
Steel of Can A	29½	28⅛
Teck B	34¾	34
Texaco Canada	80	79
Thomson News A	14⅝	13¾
Toronto Dom Bk	26¼	26
Transcan Pipe	28⅛	28⅞
Trans-Mntn Oil A	13⅝	12⅝
Trizec	28¼	28¼
Utd Siscoe Mines	14½	13⅞
Walker (Hrm)	37⅞	37½
Warrior Res	4.00	3.80
Westcoast Trans	14⅛	14½
Weston (Geo)	28¼	27¼

AUSTRIA

Jan. 31	Price %	+ or —
Creditanstalt	336	......
Landerbank	266	—1
Perlmooser	275	......
Semperit	105	......
Steyr Daimler	235	......
Veitscher Mag	354	......

BELGIUM/LUXEMBOURG

Jan. 31	Price Frs.	+ or —
ARBED	2,350	—80
Banq Ind a Lux	5,400	......
Bekaert B	2,150	—20
Ciment CBR	1,004	—16
Cockerill	340	—14
EBES	2,220	—10
Electrobel	6,000	+30
Fabrique Nat	4,100	......
GB-Inno	2,465	—15
GBL (Brux L)	1,605	—20
Gevaert	900	—4
Hoboken	2,940	—60
Intercom	1,655	+5
Kredietbank	6,020	—50
Pan Holding	3,550	......

BELGIUM (continued)

Jan. 31	Price Frs.	+ or —
Petrofina	5,810	+70
Royale Belge	5,600	+100
Soc Gen Banq	2,795	+20
Soc Gen Belge	1,630	—20
Sofina	3,350	+80
Solvay	2,600	+35
Traction Elect	2,550	+20
UCB	1,380	+8
Union Miniere	820	+2
Vieille Mont	1,570	+5

DENMARK

Jan. 31	Price Kroner	+ or —
Andelsbanken	135	......
Baltica Skand	247.75	—0.25
Burm & Wain	71.75	+2.75
Cop Handelsbnk	119	......
D Sukkerfab	203.75	—0.25
Danske Bank	118.75	......
East Asiatic	127.75	+0.50
Finansbanken	158.25	+0.25
Forenede Brygg	238	......
Forende Dampsk	168	......
GNT Hldg	180	......
Nord Kabel	152.5	—0.5
Novo Ind	220.5	......
Papirfabrikker	110	—1
Privatbanken	125.25	......
Provinsbanken	128.5	+0.25
Smidth (FL)	279	+0.25
S Berendsen	318	+1.75
Superfos	108.25	+1.0

FRANCE

Jan. 31	Price Frs.	+ or —
Emprunt 4½% 1973	1,905	—35
Emprunt 7% 1973	6,185	—250
CNE 3%	3,924	+14
Afrique Occid	411	—2
Air Liquide	509	+2
Aquitaine	1,389	—1
Au Printemps	101.8	+1.8
BIC	547	+1
Bouygues	750	+17
BSN Gervais	1,037	—1
Carrefour	1,734	+19
Club Mediter	364.9	+0.9
CGE	350.2	+0.2
CSF (Thomson)	551	+3
Cie Bancaire	350	+4.5
Cie Gen Eaux	448	—7
Cofimeg	155.0	......
CCF	161.6	......
Creusot Loire	68	+0.2
CFP	260	+1
DNEL	42.8	+3.8
Dumez	868	+16
Ferodo	343	—1.3
Gen. Occidental	300	......
Imetal	89	+1.4
Lafarge	258.6	+0.2
L'Oreal	703	+3
Legrand	1,565	+5
Machines Bull	58.5	+0.4
Matra	9,210	—110
Michelin B	915	—4
Moet-Hennessy	550	+15
Moulinex	86.1	+0.8
Paribas	218.5	+0.5
Pechiney	105.8	+0.3
Pernod Ricard	295	—6
Perrier	290	—2
Peugeot-Cit	258.5	—1.0
Poclain	240	......
Radiotech	303.5	+0.5
Redoute	440	+10
Rhone-Poulenc	126.5	+0.5
Roussel-Uclaf	255	+1
St-Gobain	131.6	+2.9
Skis Rossignol	1,030	+30
Suez	269.5	+3.5
Telemech Elect	806	+9
Thomson Brandt	231	—5.5

GERMANY

Jan. 31	Price Dm.	+ or —
AEG-Telef	40.1	—0.6
Allianz Vers	370	+7
BASF	140.9	+0.8
BAYER	127.8	+2.6
Bayer-Hypo	237	+4
Bayer-Verein	273	+6
BHF-Bank	198	+6.5
BMW	158	+3
Brown Boveri	292	......
Commerzbank	177.5	+1.5
Conti Gummi	51	......
Daimler Benz	240.5	+4.5
Degussa	245	......
Demag	135	+5
D'sche Babcock	265	+12
Deutsche Bank	257	+4.5
DU Schult	153	+2
Dresdner Bank	193	+2.2
Dyck Zement	124	—1
GHH	205	+3
Hapag Lloyd	76	+1
Hoechst	123.3	+1.1
Hoesch	36.5	—0.5
Holzmann (P)	351.5	+6.5
Horten	123	+2.5
Kali und Salz	162	+2.3
Karstadt	224	+1.2
Kaufhof	172	+3.5
KHD	208.9	+1.7
Kloeckner	65	+0.5
Krupp	66	—2
Linde	310	+7.5
Lufthansa	77.8	+0.8
MAN	197.5	+3.5
Mannesmann	124.7	+1.2
Mercedes Hlg	203	+1.5
Metallgesell	255	+10
Muench Ruck	608	+3
Preussag	178.5	+6.5
Rhein West Elect	187.2	+0.2
Rosenthal	240	......
Schering	194	+7.5
Siemens	265.5	+1.8
Thyssen	84.3	+0.4
Varta	159.8	+2.8
Veba	150.1	+1.4
Verein-West	273	......
Volkswagen	178.5	+5

HOLLAND

Jan. 31	Price Fls.	+ or —
ACF Holding	79	—1.8
Ahold	81.0	+0.3
AKZO	24.0	+0.6
ABN	299	—3
AMEV	102.7	+0.2
AMRO	62.1	—1.0
Bredero Cert	223.5	—0.5
Bos Kalis	104.3	+1.0
Buehrmann-Tet	69.0	+0.8
Caland Hldgs	26.5	......
Elsevier	284	+0.5
Ennia	139.5	—1.4
Euro Com Tst	72.6	......
Gist. Brocades	35.1	......
Heineken	73.1	+0.6
Hoogovens	21.3	—0.2
Hunter Douglas	21.9	......
Int-Mueller	27.3	+0.5
KLM	69.5	+2.3
Naarden	15.9	+0.2
Nat Ned Cert	118.4	—0.8
Ned Cred Bank	56	—0.1
Ned Mid Bank	234	+3
Nedlloyd	81.9	—0.1
Oce Grinten	118.5	+1.5
OGEM	16.6	+0.1
Ommeren (Van)	218	—2.5
Pakhoed	55	+0.4
Philips	20.3	+0.1
Rijn-Schelde	54	+0.4
Robeco	173.5	+1.5
Rodamco	107.4	+0.1
Rolinco	151.5	+1.0
Rorento	107.4	......
Royal Dutch	158.5	+1.1
Slavenburg's	228	+0.5
Tokyo Pac Hg	130	......
Unilever	115.6	—0.1
Viking Res	89	+1.5
VMF-Stork	36	+1
VNU	87.7	+1.2
Volker-Stevin	64.5	+0.3
West Utr Bank	332.7	—1

ITALY

Jan. 31	Price Lire	+ or —
ANIC	9.25	+0.25
Assicur Gen	49,010	+210
Banca Com'le	12,500	—80
Bastogi Fin	738	—17
Fiat	1,928	—11
Finsider	89	—0.75
Italcementi	21,500	+350
Italsider	340	—5
Montedison	181.25	—1
Olivetti	1,642	+2
Pirelli Co	2,000	+1
Pirelli SpA	728	—8
Snia Viscosa	639	—24
do. do. Priv.	352	—4

NORWAY

Jan. 31	Price Kroner	+ or —
Bergens Bank	109.5	+0.5
Borregaard	74	......
Creditbank	125	......
Elkem	83	—2
Kosmos	475	......
Norsk Hydro	705.8	—19.2
Storebrand	121	......

SWEDEN

Jan. 31	Price Kroner	+ or —
AGA	162	......
Alfa-Laval	117	—1
ASEA	79.5	—3.0
Atlas Copco	74.5	—3.0
Bofors	170	......
Cellulosa	113	......
Electrolux	104	......
Ericsson	103	—1
Esselte	147	......
Fagersta	104	—1
Graenges	84.5	+0.5
Mo och Dom	102	—6
Saab-Scania	71	—1.5
Sandvik	247	......
Skandia	255	+2
Skan Enskilda	123	—1
SKF	71	—1
St.Kopparberg	170	......
Sven Handelsbn	62	......
Tandstik	92	—2
Uddeholm	74.5	+0.5
Volvo	78	—2

SWITZERLAND

Jan. 31	Price Frs.	+ or —
Alusuisse	1,290	+30
Brown Boveri	1,855	+15
Ciba-Geigy	1,220	+15
do (Part Certs)	970	+15
Credit Suisse	2,400	......
Elektrowatt	2,280	+10
Fischer (Geo)	785	......
Hoff-RochePtCts	64,000	+250
Hoff-Roche 1/10	6,425	+50
Interfood	5,250	......
Jelmoli	1,385	+15
Landis & Gyr	1,465	+5
Nestle	3,615	+30
Oer-Buhrle	2,810	—20
Pirelli	259	+4
Sandoz (Br)	4,000	—150
Sandoz (Pt Cts)	527	+2
Schindler(Pt Cts)	260	......
Swissair	795	—3
Swiss Bank	416	+3
Swiss Reinsce	5,975	+25
Swiss Volksbk	1,850	......
Union Bank	3,565	+15
Winterthur	2,250	+30
Zurich Ins	13,900	+100

AUSTRALIA

Jan. 31	Price Aust. $	+ or —
ANZ Group	4.65	......
Acrow Aust	1.00	......
Allstate Expl	1.45	+0.20
Ampol Pet	1.38	+0.05
Ast. Pulp Pap	2.50	......
Audimco	0.25	......
Aust Cons Ind	2.05	+0.01
Aust Guarant	1.41	+0.01
Aust Nat Inds	2.28	+0.05
Aust Paper	1.82	—0.01
Bamboo Creek	0.28	+0.01
Bank NSW	3.24	+0.15
Blue Metal	1.30	+0.07
Bond Hldgs	2.24	+0.09
Boral	2.46	—0.03
B'ville Copper	3.56	+0.11
Brambles Inds	2.30	+0.05
BHP	13.35	......
Brunswick Oil	0.25	—0.01
CSR	5.70	+0.10
Carlton & Utd	1.98	+0.02
Cockburn Cemt	1.35	......
Coles (G.J.)	2.05	—0.01
Comalco	5.00	......
Cons Gold	7.00	+0.10
Containers	2.70	......
Conzinc Riotin	6.10	+0.14
Costain	2.10	—0.05
Crusader Oil	2.40	+0.10
Dunlop	0.88	+0.01
Elder Smith GM	3.40	......
Endeavour Res	0.45	+0.01
Escor	0.88	......
Gen Prop Trust	1.62	......
Hamersley	4.15	......
Hartogen Energy	3.25	—0.05
Hooker	1.10	+0.05
ICI Aust	2.57	—0.02
Jennings	0.92	—0.02
Jimberlana Min	2.00	+0.10
Jones (D)	1.57	+0.01
Lennard Oil	1.75	—0.05
MIM	6.20	+0.18
Meekatharra Ms	1.50	+0.15
Metramar Min	0.30	—0.07
Monarch Pet	0.58	......
Myer Emp	1.61	......
Nat Bank	3.15	+0.09
News		......
Nicholas Int	1.25	+0.03
North Bkn Hill	3.38	+0.08
Oakbridge	3.92	+0.05
Otter Expl	1.48	—0.07
Pancon	8.50	+0.20
Pan Pacific	0.12	......
Pioneer Conc	2.35	+0.07
Queen Marg't G	0.53	—0.01
Reckitt & Coln	3.00	......
Santos	9.00	+0.60
Sleigh (H.C.)	1.31	+0.06
Southland Ming	0.30	+0.01
Spargos Expl	0.56	—0.02
Thos Natwide	2.21	+0.02
Tooheys	2.05	......
Tooth	2.40	+0.05
Utah Mining	4.60	—0.05
Valiant Consdt	0.60	+0.17
Waltons	0.56	......
Western Mining	4.90	+0.20
Woolworths	1.44	—0.01
Wormald Intl	3.12	—0.05

HONG KONG

Jan. 31	Price H.K. $	+ or —
Cheung Kong	22.5	—0.1
Cosmos Prop	2.05	—0.10
Cross Harbour	10.30	+0.10
Eastn Asia Nav	6.60	+0.20
Hang Sen Bank	136	......
HK Electric	6.30	+0.05
HK Kowloon Wh	64.00	—6.0
HK Land	14.2	—0.1
HK Shanghai Bk	21.4	—0.1
HK Telephone	32.50	......
Hutchison Wpa	9.05	......
Jardine Math	17.20	+0.40
New World Dev	4.77	—0.03
O'seas Trust Bk	6.15	+0.40
SHK Props	19.9	+0.10
Swire Pac A	10.10	+0.10
Wheel'k Mard A	4.80	+0.08

JAPAN

Jan. 31	Price Yen	+ or —
Ajinomoto	578	+13
Amada	609	+2
Asahi Glass	379	+6
Bridgestone	535	—7
Canon	626	—1
Citizen	367	—1
Daiei	979	—1
DKBO	380	+5
Dai Nippon Ptg	540	—2
Daiwa House	355	......
Daiwa Seiko	293	—2
Ebara	575	—7
Eisai	1,060	......
Fuji Bank	410	......
Fuji Film	525	......
Fujisawa	888	—10
Fujitsu Fanuc	3,250	—40
Green Cross	1,740	+20
Hasegawa	545	+5
Heiwa Rl Est	656	—16
Hitachi	255	......
Hitachi Koki	520	+1
Honda	619	......
House Food	750	—10
Hoya	812	+2
Ito Ham	580	......
Ito-Yokado	1,300	......
JACCS	450	—1
JAL	2,550	......
Jusco	900	......
Kajima	281	+1
Kao Soap	418	......
Kashiyama	515	—5
Kikkoman	416	+48
Kirin	420	+1
Kokuyo	1,060	......
Komatsu	335	+2
Komatsu F'lft	650	+15
Konishiroku	455	—4
Kubota	361	—2
Kumagai	380	—7
Kyoto Ceramic	3,570	+70
Lion	395	+4
Maeda Cons	505	......

JAPAN (continued)

Jan. 31	Price Yen	+ or —
Makita	1,140	+10
Marubeni	380	—7
Marudai	650	—1
Marui	755	—5
Matsushita	692	+2
M'ta Elec Works	552	+2
M'bishi Bank	415	+1
M'bishi Corp	721	—18
M'bishi Elec	205	......
M'bishi Rl Est	442	—1
MHI	193	......
Mitsui Co	378	—1
Mitsui Rl Est	570	—9
Mitsukoshi	442	—3
NGK Insulators	464	—1
Nippon Denso	1,200	—20
Nippon Gakki	740	......
Nippon Meat	433	—1
Nippon Oil	1,890	—30
Nippon Shinpan	625	—1
Nippon Steel	130	—2
Nippon Suisan	217	—6
NTV	6,290	......
Nissan Motor	728	+3
Nisshin Flour	384	+4
Nisshin Steel	181	—2
Nomura	408	+3
NYK	311	—7
Olympus	752	—3
Orient	920	......
Pioneer	1,860	—20
Renown	573	+3
Ricoh	636	......
Sanyo Elec	403	—2
Sapporo	238	—2
Sekisui Prefab	720	—4
Sharp	604	—3
Shiseido	975	+4
Sony	1,690	......
Stanley	450	+5
S'tomo Marine	284	—3
Taihei Dengyo	710	—5
Taisei Corp	213	—3
Taisho Pharm	565	—10
Takeda	525	—7
TDK	1,650	—30
Teijin	152	+1
Teikoku Oil	956	—34
TBS	566	+1
Tokio Marine	655	—1
Tokyo Elect.Pwr	907	+1
Tokyo Gas	123	—2
Tokyo Sanyo	623	+3
Toshiba	198	+1
Tokyo Corp	240	......
TOTO	435	—1
Toyo Seikan	447	—1
Toyota Motor	815	+3
Victor	1,120	......
Wacoal	763	......
Yamaha Motor	909	—16
Yamazaki	520	—7
Yasuda Fire	312	+5
Yokogawa Bdge	615	+3

SINGAPORE

Jan. 31	Price $	+ or —
Boustead Bhd	4.30	......
Cold Storage	2.88	......
DBS	5.45	......
Fraser & Neave	6.50	+0.0
HawPar	2.10	+0.0
Inchcape Bhd	2.38	......
Malay Banking	8.60	—0.0
Malay Brew	5.30	—0.
OCBC	8.20	+0.0
Pan Elect	1.78	+0.0
Sime Darby	4.18	+0.0
Straits Trdg	8.85	—0.
UOB	4.16	+0.

SOUTH AFRICA

Jan. 31	Price Rand	+ or —
Abercom	2.95	—0.
AE & CI	5.60	+0.
Anglo Am. Cp	13.25	—0.
Barlow Rand	8.35	+0.
Buffels	35	—1
CNA Invests	3.60	—0.
Currie Finance	1.45	......
De Beers	10.25	+0.
East Drie	25.75	—1
FS Geduld	54.5	—1
Gold Fields SA	70	—0.
Highveld Steel	4.15	+0.
Huletts	6.05	......
Kloof	31.50	......
Nedbank	5.30	+0.
OK Bazaars	13.75	+0.
Protea Hldgs	3.00	+0.
Rembrant	6.75	+0.
Rennies	2.90	......
Rust Plat	5.80	—0.
Sage Hldgs	2.50	......
SA Brews	2.71	+0.
SAPPI	5.25	......
Smith CG Sugar	10.30	......
Sorec	1.46	......
Tiger Oats	13.50	......
Unisec	1.90	—0.

Financial Rand US$1.0
(Discount of 15%)

BRAZIL

Jan. 30	Price Cruz	+ o
Acesita	1.48	+0.
Banco Brasil	2.80	+0.
Banco Itau	1.50	......
Belgo.Min	2.78	—0.
Lojas Amer	1.40	—0.
Petrobras PP	2.25	+0.
Pirelli	1.91	—0.
Souza Cruz	3.90	+0.
Unip PE	6.30	+0.
Vale Rio Doce	4.60	+0.

T'over Cr.772.3m. Vol. 308.6
Source: Rio de Janeiro SE.

Spanish prices, Page 2

NOTES.—Prices on this page are as quoted on t individual exchanges and are last traded prices. § Dealing suspended. xd Ex dividend. xc Ex scrip issue. xr Ex right xa Ex all.

COMMODITIES and AGRICULTURE

Grant aid streamline plan to save £34m a year

BY RICHARD MOONEY

THE GOVERNMENT'S economy drive has taken its first real bite out of agricultural spending with the announcement yesterday of a "streamlining" plan to trim a projected £34m a year off the cost of capital grants to farmers by 1983/84.

In a written reply to a question on changes planned in the capital grant schemes in the light of Sir Derek Rayner's review of the spending of Government departments, Mr. Peter Walker, the Agriculture Minister, said he had accepted Sir Derek's recommendation that the existing grant schemes should be radically simplified and rationalised.

The changes, which came into effect today, are expected to lead to a reduction of 400 in the staff engaged in administering the schemes over the next four years. This will save about £2m at current values.

The rest of the savings represent expected reductions in grants paid out. The actual figure will obviously depend on the general level of investment in agriculture over the period and the share going to individual sectors.

Last year the capital grants schemes cost about £185m, nearly a third of the Government's agricultural spending.

The range of grant rates has been narrowed from 16 bands to eight.

Grants on dairy and cattle buildings (previously 40 per cent under the EEC scheme and 30 per cent under the national scheme), horticultural buildings and works (30 per cent and 25 per cent) and sheep housing (25 per cent and 20 per cent) have been unified at rates of 32.5 per cent for the EEC scheme and 22.5 per cent for the national scheme.

The same rates apply to certain land improvements such as fencing, water supply and grassland regeneration which previously qualified for grants of 25 per cent and 20 per cent.

The biggest cut is for investment in dairy equipment where the EEC grant goes down from 20 per cent to 5 per cent and the national grant (previously 20 per cent) disappears altogether.

Higher rates are still available in "less favoured areas" except for horticultural enterprises.

The other major change is the setting of a grant limit of £136,000 for any single project. In the past some developments have qualified for grants of over £250,000. Mr. Walker said half the projected saving was in respect of potential payments above this ceiling. He said recent tax changes had given a considerable boost to farming operations of this size.

The savings are expected to come through gradually as existing projects are completed. In 1980-81 the cut is projected at only £4m.

Mr. Walker also announced a simplified procedure for applying for grants partly through the abolition of the "prior aproval" stage of the application.

He said the staffing cuts, which would be achieved by natural wastage, would be shared between the Ministry itself (250) and the Agricultural Development and Advisory Service (150). But the ADAS cuts would be on the administration side and the advisory service should have more staff available rather than less, he added.

Mr. Richard Butler, president of the National Farmers' Union, said the cut would add to the difficulty of maintaining, "let alone expanding" agricultural production.

He accepted the need for the system to be streamlined and welcomed the rise in certain grants. But he noted that the overall reduction in aid to farmers came at a time when real incomes in agriculture had fallen for the third successive year.

Metal markets fall back

By Our Commodities Editor

COPPER fell back on the London Metal Exchange yesterday after another day of sharply fluctuating prices. Cash wirebars closed £34 down at £1,287 a tonne, but it was noted that there was a strong undertone in spite of the nervous market conditions.

Heavy selling by a U.S. merchant house brought cash lead down by £10.5 to £503.5 a tonne. Other metals were also generally depressed by the decline in copper, as well as the falls in gold and silver.

World sugar also came under strong selling pressure in early dealings, but then leapt back again to new life of contract highs before easing finally in late dealings. The see-sawing in the market was attributed to a sudden surge in New York when a decline had been expected.

● Attempts to establish the contract size and delivery points of a new London-based petro-chemicals futures market took a further step yesterday according to James Sweeney, chairman of the London Commodity Exchange Contracts Committee.

Mr. Sweeney said there was growing optimism among committee members that a viable petro-chemical futures market could emerge shortly involving Gasoil

CEREALS

The case for autumn barley

BY JOHN CHERRINGTON, AGRICULTURE CORRESPONDENT

I HAVE always believed that spring starts around the first of February, for no very good reason other than in occasional years the sun has been shining and the land is fit to plant then. The month can of course be dreadful, as it was last year. Yet from now on I will be attempting to start the spring offensive of sowing and fertilising.

This will not be as traumatic as it used to be. Twenty years ago, for instance, I used to have a sowing programme of some 500 acres of barley. Today I have no more than 100, the work of three fine days at most.

The reason is two-fold: Instead of using a spring variety my barley acreage is largely autumn sown.

I have made this change for the simple reason that with these strains I can grow a heavier crop in most years. This is because it avoids the risks of a spring drought, ripens sooner, and so gives me the opportunity to spread the harvest. Spring barley ripening coincides with that of wheat, and so it really means that I can manage with much less use of the combine harvester.

This is an important point, because with these machines costing anything up to £40,000 and used for about ten days a year, any economies in their use must be worth while.

An even more cogent justification for the switch to autumn-sown is that I am no longer so concerned with trying to grow malting barley.

There was a time when I was quite a competitor in the malting barley stakes. I went to endless trouble growing crops that might qualify, only to find after harvest that either every one else had had a marvellous crop and the price was no better than that for feeding, or else that my sample was just as bad as everyone elses. Then buyers would tell us that they could get all the supplies they required from other counties, where crops had been marvellous.

Nevertheless there was some art in the job. The grain was assessed by eye and cut, ripe barley had a floury interior, unripe was hard and steely. The roundness of the berry and thinness of its skin was appreciated with all the lust of a striptease voyeur. But science reared its ugly head.

Some crude materialistic maltster—and I could name him—took the advice of his chemists that barley should be chosen on more scientific grounds, and instituted a nitrogen test. From this there is no appeal, and it is something over which the farmer has no control. And we all know what has happened to beer over the last 20 years.

So now I grow my barley for bulk and my pig herd. Should any maltster come to me on bended knees I will treat him with a take it or leave it attitude. Speaking with profound ignorance of course, as any maltster will agree I do in this matter, I can assert that malt can be made from any quality of barley. In times of shortage of course it is.

But the real trouble is that the better malting varieties do not in the main yield as well as those grown for feed. At least not under my conditions. Nor under some other people's either, if the results of the Institute of Brewing's malting barley competition this year are a reflection of reality.

The champion sample from Porlock, of a winter barley, Maris Otter, yielded 30 cwts an acre, while the runner up from Oxfordshire no more than 25 cwts. My own non-malting crops averaged 39 cwts an acre overall. It is true that in Scotland and parts of East Anglia yields were good, probably as a result of seasonal factors. The point is that it is very doubtful if the premiums paid for malting barley compensates in any way for the lower yields.

This was particularly true last autumn when premiums plummeted with the knowledge that the proportion of good quality grain was very high indeed. I even saw the biggest buyer in Salisbury market smiling, something I cannot recollect having seen ever before.

Many other farmers are thinking as I am, and this has been worrying two different vested interests. The maltsters are trying to persuade farmers to resist the temptation of higher yields of feed varieties, by some fairly heavy propaganda to grow that which pleases them. The trouble is that their cash offers of premiums are not attractive enough.

The other comes from the seedsmen with an interest in growing spring barley. They are worried that all their considerable investment should come to naught. There has been a great deal of propaganda to the effect that winter barley is so susceptible to disease that it requires a much larger expenditure on chemicals and fertilisers than spring barley.

This is highly tendentious. My experience is that under my conditions winter barley is a much better bet all round. Why do I grow any spring barley at all? Simple because I have pigs and sheep. One field was dunged too late for autumn sowing, and the sheep have been wintering on a grass field shortly to be ploughed. And if you wanted any further proof that winter barley must be the right course, the fact remains that in France, Germany and Belgium it reigns supreme.

Cautious plan for Rhodesia tobacco

BY MARK WEBSTER IN SALISBURY

THE RHODESIAN tobacco industry will adopt a cautious growth policy in spite of the preferential tariff agreement reached with the EEC and other countries, the Rhodesia Tobacco Association has said.

The RTA said the tariff agreement was "far better than we expected" and would be worth about 28 cents a kilo for all the coming year's exports.

Although it was still early to judge the exact size of this year's crop, it will be around 95m to 100m kilos and the RTA was hoping for a price of RH $1.20 to RH $1.25 a kilo (86p-88p).

During the 14 years of sanctions, Rhodesia had to sell its crop at well below the world price, which in turn squeezed the profitability of the 1,500 or so tobacco farmers.

The EEC agreed to treat Rhodesia as an OCT (Overseas Countries and Territories) country which gives it duty-free entry to the Nine for a period of one year.

A number of other countries have agreed to grant duty concessions under their Generalised Systems of Preferences (GSP) which are also expected to give a boost to the Rhodesian Tobacco industry.

The EEC agreement will permit the Rhodesians to export as much tobacco as they can under the favourable-tariff terms. But when the year is finished they will have to negotiate new terms either under the ACP convention Lome 2 or simply GSP.

But the RTA is anxious to ensure that the production rate keeps pace with the size of the market available for exported Rhodesian tobacco. During the years of UDI, when it was necessary to trade secretly through middlemen, the country lost a substantial part of its traditional export market. Before UDI about half went to Britain alone.

The RTA would like production to expand at around 10 per cent a year. It feels that the high cost of setting up a tobacco farm will hold expansion to about that level, even though the profitability of tobacco farming is now likely to increase considerably.

The Ministry of Agriculture has made it clear that it wants to maintain the benefits of diversification into other crops in farming which were forced on the country during UDI, and not allow tobacco to dominate the agricultural sector as it did before.

Fish export experiment disappointing

Ministry scientists returned from a voyage of discovery yesterday reporting only qualified success in their hunt for new species of fish for export.

The 1,190-ton freezer trawler Swanella arrived back at Falmouth, Cornwall, after a 20-day trip with a mere 45 tons of horse mackerel—"scad"—in its hold.

Swanella is one of four vessels chartered by the Agriculture and Fisheries Ministry in a £433,000 venture aimed at establishing new areas for Britain's ailing fishing industry.

About half the catch of scad, which has a "kippery," oily taste was made off Start Point, South Devon. The rest was hauled at a promising spot about 150 miles south of Lands End, on the edge of the continental shelf.

Weather crucial to grain ban impact

BY JOHN EDWARDS, COMMODITIES EDITOR

THE WEATHER in the Soviet Union over the next few months will be of great importance in deciding the effectiveness of the U.S. grain sales embargo, according to the International Wheat Council.

In a special review of the embargo, included in the Council's latest market report, it is pointed out that there are several factors which could help decide whether the USSR succeeds in overcoming the grain shortfall and maintaining livestocks numbers. If the winter is not too severe, the grazing season could begin early and favourable weather would also lead to an increase in winter grain production. If the USSR is forced to slaughter livestock, it is expected that pigs and poultry, fed mainly on grain, would go first.

Extensive slaughtering of cattle would be a last resort, in view of the time needed to rebuild herds. An alternative would be to reduce the rations fed maintaining the animals for rapid finishing when grain supplies improved.

The review notes that although most exporting countries have agreed not to step up grain sales to the Soviet Union during the current crop year, the extent to which this undertaking applied to a longer period would depend on political developments and the forthcoming harvests in the northern hemisphere.

It is pointed out that unofficial data on annual changes in Soviet grain stocks indicate that following the record 1978 crop there may be substantial holdings that may be drawn down to help offset present difficulties.

The review estimates that taking into account the possibilities of replacing U.S. grain from other sources, Russia's total grain imports in 1979/80 could amount to between 22m and 26m tonnes. This compares with estimated requirements of between 32m and 35m tonnes.

Russian imports of wheat, however, are expected to be only 2m tonnes lower at 9m tonnes and the Council has in fact raised its forecast of world wheat trade in 1979/80 by 1m to 78m tonnes. The Council has also raised its estimate of world wheat output in 1979 to 423.5m tonnes, 9m up on its November estimate, but still well below the 1978 record harvest of 449.2m. This reflects a rise of 5m tonnes in the Soviet wheat crop, 1m for Australia and increases for Canada and U.S.

Looking at 1980 crop prospects, the review notes that farmers have made considerable efforts to expand the area sown to wheat in the U.S., Western and Eastern Europe, as well as the European USSR.

Most winter grain areas in Western Europe have enjoyed a relatively mild winter, but it is reported that Chinese crop prospects have been hit by the absence of rain in key winter wheat provinces during November and December.

Robert Lindley writes from Buenos Aires: Victor Pershin, president of the Soviet agency Exportjleb, and two other officials, yesterday continued their contacts with grain exporters here, to establish what will be the tonnage of Argentine grain sales this year to the Soviet Union.

BRITISH COMMODITY MARKETS

BASE METALS

COPPER—Fell away on the London Metal Exchange. Rumours of an early Russian withdrawal from Afghanistan coupled with bearish Press comment saw forward metal fall sharply from £1,310 to £1,265 on the pre-market. Thereafter the price gyrated between £1,270 and £1,294 before closing the late kerb at £1,279. Turnover 24,925 tonnes.

COPPER	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Wirebars				
Cash	1299-300	-35.5	1286-8	-34
3 months	1290-1	-31	1282-3	-33
Settlem't	1300	-34	—	......
Cathodes				
Cash	1240-2	-31.5	1231-5	-39
3 months	1252-3	-25.5	1253-5	-33.5
Settlem't	1242	-31	—	......
U.S. Prod	—	......	*121-33	......

Amalgamated Metal Trading reported that in the morning cash wirebars traded at £1,290, 1,303, 2, 10, 1,300, three months £1,270, 71, 73, 75, 78, 80, 85, 88, 85, 84, 83, 86, 90, 88, 89, 90, 91, 92, 93, 91, 90. Cathodes, cash £1,243, 42, three months £1,251, 62. Kerb: Wirebars, three months £1,290, 87, 88, 89, 86, 87, 86, 87, 86, 84. Afternoon: Wirebars, three months £1,280, 81, 80, 78, 79, 80, 81, 82, 81, 80, 82. Cathodes, three months £1,254. Kerb: Wirebars, three months £1,275, 76, 79, 78, 79, 81, 82, 83, 82, 80, 79, 74, 77, 78, 79, 77, 78, 76.

TIN—Easier. Forward metal opened on a steady note at £7,400 and held that level following good overnight U.S. demand coupled with Japanese and Eastern bloc buying. However, cash material came under pressure and a £30 contango was established at one point. In the afternoon further selling developed and this prompted a further decline to £7,350 before late covering against renewed physical demand left forward metal at £7,400 on the late kerb. Turnover 700 tonnes.

TIN	a.m. Official	+ or —	p.m. Unofficial	+ or —
High Grade	£	£	£	£
Cash	7355-65	-145	7360-70	-90
3 months	7365-80	-57.5	7380-400	-27.5
Settlem't	7365	-145	—	......
Standard				
Cash	7350-60	-150	7350-70	-90
3 months	7365-70	-57.5	7380-90	-27.5
Settlem't	7360	-150	—	......
Straits E.	‡$3161	-25		......
NewYork	—	......		......

Morning: Standard, cash £7,430, 20, 7,350, 60, three months £7,400, 7,390, 80, 70. Kerb: Standard, three months £7,380, 50, 60. Afternoon: Standard, cash £7,370, three months £7,370, 80, 90. Kerb: Standard, three months £7,390.

LEAD—Under pressure as heavy selling, thought to have been in the region of 2,000 to 3,000 tonnes, from one quarter pushed forward metal down from £508 to £486.5 prior to a close on the late kerb of £488.5. Turnover 12,575 tonnes.

LEAD	a.m. Official	+ or —	p.m. Unoffic'l	+ or —
	£	£	£	£
Cash	512-3	+6	503-4	-10.5
3 months	508-.5	+4.75	500-1	-8.25
S'ment	513	+6	—	......
U.S. Spot	—	......	*50	......

Morning: Cash £514, 13, 12, three months £504, 5, 6, 7, 8, 9, 8, 8.5, 8. Kerb: Three months £507. Afternoon: Cash £509, 10, 04, three months £506, 7, 6, 5, 3, 2, 1. Kerb: Three months £499, 500, 499, 98, 97, 96, 95, 93, 90, 89, 88, 85, 86.

ZINC—Lower. Forward metal edged up to £385 in the morning but fell sharply on the afternoon kerb when three months was offered down to £368. However, by the close the price had rallied to £375.5. Turnover 8,650 tonnes.

ZINC	a.m. Official	+ or —	p.m. Unoffic'l	+ or —
	£	£	£	£
Cash	370-1	+3	366-8	-3
3 months	384-5	+2	380-1	-4
S'ment	371	+3	—	......
Primw'ts	—	......	*37.5	......

Morning: Cash £371, 70, three months £382, 83, 84, 85, 84. Kerb: Three months £384. Afternoon: Three months £384, 85, 86, 84, 83, 81, 80.5, 81, 80. Kerb: Three months £381, 80, 79, 78, 77, 75, 73, 72, 68, 70, 71, 70, 72, 75.

ALUMINIUM—Lower following pressure on cash metal, which widened the contango to around £15. The offerings of cash material coupled with a general lack of fresh buying interest depressed forward metal, which fell back from £912 on the pre-market to close the late kerb at £903. Turnover 8,225 tonnes.

Alumin'm	a.m. Official	+ or —	p.m. Unoffic'l	†+ or —
	£	£	£	£
Spot	894-6	-11.5	891-3	-15
3 months	907-9	-9.5	903-4	-13

Morning: Cash £896, 95, three months £908, 7, 6, 5, 8, 9, 10, 9, 8, 7, 8. Kerb: Three months £907, 6, 7, 8. Afternoon: Three months £907, 8, 7, 6, 5, 4, 3. Kerb: Three months £904, 3, 2.

NICKEL—Down mainly owing to lack of interest. After trading at £3,175 on the early pre-market, forward metal gave ground to close the late kerb at £3,165. Turnover 738 tonnes.

NICKEL	a.m. Official	+ or —	p.m. Unoffic'l	+ or —
Spot	3030-40	-52.5	3040-60	-32.5
3 months	3160-70	-52.5	3165-70	-30

* Cents per pound. ‡ $M per picul. † On previous unofficial close.

Morning: Three months £3,165, 70, 65. Afternoon: Three months £3,170, 60. Kerb: Three months £3,160, 70.

SILVER

Silver was fixed 94.8p an ounce lower for spot delivery in the London bullion market yesterday at £15.542. U.S. cent equivalents of the fixing levels were: Spot $35.28, down $2.07; three-month $35.505, down $2.245; six-month $35.378, down $2.174; and 12-month $35.527, down $2.029. The metal opened at £15.4-15.3 ($35-37) and closed at £15-15.9 ($34-36).

SILVER per troy oz.	Bullion fixing price	+ or —	L.M.E. p.m. Unoffic'l	+ or —
Spot	1554.2p	-94.8	1520p	-62.5
3 months	1575.5p	-104½	1545p	-67
6 months	1576.5p	-101	—	......
12months	1590.5p	-94	—	......

LME—Turnover 228 (170) lots of 10,000 ozs. Morning: Cash 1540, three months 1585, 90, 95, 70, 75, 60, 65, 60. Kerb: Three months 1570, 75, close 1575, 1585. Afternoon: Three months 1550, 60, 40, 50, 45. Kerb: Three months 1545, 40, close 1545, 50.

COCOA

Steady for much of the day, futures eased sharply at the close and on the final call levels were some £15 below Wednesday evening. Physicals were quiet with producers above current levels and looking to continue their policy of scale-up selling, reports Gill and Duffus.

COCOA	Yesterd'ys Close	+ or —	Business Done
March	1468-70	-14.5	1492-66
May	1466-68	-16.0	1490-65
July	1474-75	-18.5	1494-74
Sep	1490-91	-16.0	1507-1490
Dec	1515-20	-17.5	1535-28
March	1536-50	-11.0	1553-50
May	1565-69	-10.5	—

Sales: 2,685 (2,692) lots of 10 tonnes.

International Cocoa Organisation (U.S. cents per pound): Daily price Jan. 30 147.59 (145.39); indicator price Jan. 31: 15-day average 144.21 (144.04); 22-day average 143.46 (143.30).

COFFEE

London coffee futures failed to follow a strong New York performance, the market weakened gradually during the morning to register losses off £5-£8 from the previous closing levels, reports Drexel Burnham Lambert. In the afternoon the market maintained a steady tone while under commission house selling pressure and eventually rallied back to finish just off the daily highs after some late trade buying.

COFFEE	Yesterdays Close	+ or —	Business Done
	£ per tonne		
January	—	......	1480-62
March	1523-24	+8.0	1525-07
May	1536-37	+3.5	1544-28
July	1554-57	+6.0	1560-44
Sept	1565-67	+2.5	1575-58
Nov	1560-64	-1.5	1571-65
January	1550-75	+7.5	1565

Sales: 7,556 (3,855) lots of 5 tonnes.

ICS Indicator prices for Jan. 30 (cents per pound). Other Mild Arabicas 159.50 (158.67). Robustas ICA 1976 156.50 (156.00). ICA 1968 156.75 (156.25). Unwashed Arabicas 213.00 (same). Comp. daily ICA 1968 179.67 (179.28).

GRAINS

LONDON GRAIN FUTURES—The market opened unchanged on wheat and barley. Trade was generally thin and values eased slightly to close 10-20 down on old crop wheat and 10-15 down on barley. New crops again saw little trade and registered losses of 5p-10p on wheat and a 5p gain on barley, reports Acli.

	WHEAT		BARLEY	
Mnth	Yest'rdays close	+ or —	Yest'rday close	+ or —
Mar.	100.10	-0.10	97.25	-0.15
May	104.20	-0.20	101.25	-0.10
Sept	96.50	-0.10	93.60	-0.10
Nov	100.25	-0.05	97.15	+0.05

Business done — Wheat: March 100.20-100.05, May 104.40-104.20, Sept. 96.55-96.50, Nov. 100.30-100.25. Sales: 89 lots of 100 tonnes. Barley: March 97.45-97.25, May 101.35-101.25, Sept. no trade, Nov. 97.10-97.10. Sales: 95 lots of 100 tonnes.

HGCA — Locational ex-farm spot prices. Feed barley: S. East 95.00, S. West 95.20, W. Midlands 96.10, N. West 93.80. Other Milling wheat: S. West 99.50, W. Midlands 97.40.

IMPORTED — Wheat: U.S. Dark Northern Spring No. 2, 14 per cent, Jan. 99.50, Feb. 102.00, March 102.50, transhipment East Coast. U.S. Hard Winter, 13½ per cent, Feb. 98.50, March 99.50 transhipment East Coast. Maize: U.S./French Feb. 117.25, March 118.25, transhipment East Coast. Barley: English Feed fob Feb. 101.50, March 102.50, April 104.50, East Coast. Rest unquoted.

RUBBER

The London physical market opened easier, with good interest at lower levels, closing on a steadier note. Lewis and Peat reported a Malaysian godown price of 342 (350) cents a kg (buyer, February).

No. 1 R.S.S.	Yest'rdays Close	Previous Close	Business Done
Mar.	78.55-88.50	79.50-79.70	78.40-78.88
Apr.	80.50-81.50	80.50-81.20	—
Apr.-Jne	82.10-82.35	82.00-82.30	82.20-81.65
Jly.-Sept	86.20-85.40	85.15-85.25	85.45-85.50
Oct-Dec	87.50-87.35	87.00-87.10	87.50-85.80
Jan-Mar	88.60-88.65	88.25-88.70	88.70-86.90
Apr-Jne	89.75-89.85	89.50-89.70	89.90-88.20
Jly.-Sept	91.00-91.20	91.00-91.25	91.60-89.65
Oct-Dec	92.55-92.85	92.40-92.45	—

Sales: 527 (826) at 15 tonnes; 14 (31) at 5 tonnes.

Physical closing prices (buyer) were: Spot 79.00p (78.50p); March 78.25p (same); April 80.00p (same).

SOYABEAN MEAL

	Yest'rd'y Close	+ or —	Business Done
	£ per tonne		
February	118.50-20.4	-0.55	120.50-20.50
April	116.50-16.7	-0.95	117.00-16.40
June	115.50-15.7	-0.70	116.40-15.50
August	117.00-17.1	-0.90	117.10-17.00
October	116.60-16.8	-0.80	117.00-16.50
December	118.00-18.0	-0.75	118.50
February	120.20-21.5	-0.15	—

Sales: 110 (58) lots of 100 tonnes.

SUGAR

LONDON DAILY PRICE (raw sugar): £214.00 (£211.00) a tonne cif for Jan.-Feb.-March shipment. White sugar daily price was £216.00 (same).

Losses of some £5.50 at an active opening were quickly recouped and once again the market made steady gains to record new life of contract highs before profit-taking lowered prices by £3.50 at the close, reported C. Czarnikow.

Sugar Pref. Comm. Con.	Yest'rdays Close	Previous Close	Business Done
	£ per tonne		
March	220.50-20.75	222.50-23.00	224.50-18.50
May	224.05-24.10	224.50-24.75	227.50-18.00
Aug	226.20-26.25	227.25-27.50	229.50-23.50
Oct	227.10-27.50	227.75-28.00	229.75-24.00

Sales: 8,103 (11,940) lots of 50 tonnes.

NO. 4 CONTRACT—Close (in order, buyer, seller only). May 223.10, 223.75; Aug. 225.20, 225.50; Oct. 226.75, 227.50; Jan. 222.25, 222.50; March 226.00, 227.00; May 225.00, 227.00. Sales: 3,524 (310).

LONDON WHITE SUGAR—Close (in order buyer, seller, business, sales). April 220.00, 224.00, 221.00-220.00, 9; July 220.00, 230.00, 220.00, 50; Sept. 225.00, 234.00, nil, nil; Nov. 225.00, 235.00, 228.00, 80; Feb. 225.00, 228.00, 230.00, 50; April 220.00, 236.00, nil, nil; July 220.00, 236.00, nil, nil. Sales: 189.

Tate and Lyle ex-refinery price for granulated basis white sugar was £318.70 (same) a tonne for home trade and £293.50 (£290.50) for export.

International Sugar Agreement (U.S. cents per pound fob and stowed Caribbean port). Prices for January 30. Daily price 20.06 (18.54); 15-day average 17.88 (17.55).

WOOL FUTURES

SYDNEY GREASY WOOL—Close (in order: buyer, seller, business, sales). Australian cents per pound. March 478.0, 480.0, 486.0-489.0, 109; May 505.0, 508.0, 508.0-504.0, 279; July 523.0, 525.0, 528.0-523.0, 726; Oct. 518.0, 520.0, 523.0-518.0, 151; Dec. 520.0, 521.0, 522.0-520.0, 128; March 520.0, 522.0, 524.0-520.0, 38; May 523.0, 525.0, 524.0-521.0, 22; July 523.0, 525.0, 523.0-521.0, 19. Sales: 1,472.

LONDON NEW ZEALAND CROSSBREDS—Close (in order buyer, seller, business, sales). New Zealand cents per kilo. May 399, 409, nil, nil; Aug. 415, 420, nil, nil; Oct. 420, 425, 420, 2; Dec. 418, 423, nil, nil; Jan. 420, 423; nil, nil; March 423, 430, nil, nil; May 425, 430, 426, 2; Aug. 425, 435, nil, nil. Sales: 4.

PRICE CHANGES

In tonnes unless otherwise stated.

	Jan. 31 1980	+ or —	Month ago
Metals			
Aluminium	£770/810	......	£760/70
Free Mkt (cs)	$2040/2050	......	$1850/10
Copper			
Cash w'bar	£1,287	-34	£1,076
3 mths	£1,282.5	-33	£1,104
Cash Cathode	£1,233	-39	£1,049
3 mths	£1,254	-33.5	£1,084
Gold troy oz	$650	-40	$630
Lead cash	£503.5	-10.5	£531
3 mths	£505.5	-8.25	£518.5
Nickel	£3,195.78	......	£3,260.17
Freemkt(cif lb)	305/330c	......	275/329c
Platin'mt'y oz	£189.0	......	£195
Free mkt	£358.55	-3	£358.65
Quicksil'ver	$385/400	......	$375/380
Silver troy oz	1554.2p	-94.8	1648.10p
3 months	1575.5p	-104.5	1708.10p
Tin Cash	£7,365	-90	£7,482.5
3 mths	£7,385	-27.5	£7,312.5
Tungsten 22.04lb	$158	......	$137.75
Wolfrm 22.04 lbs	$142/146	......	$132/136
Zinc cash	£367	-3	£351.5
3 months	£380.5	-4	£346.125
Producers	$780/825	......	$780
Oils			
Coconut (Phil)	$910r	+5	$880
Groundnut	‡	......	‡
Linseed Crude	£431s	......	£392
Palm Malayan	$695r	......	$655
Seeds			
Copra Phillip	$600	+10	$570
Soyabean (U.S.)	$289u	+2	$285
Grains			
Barley Futures	£101.25	-0.10	£97.35
Maize			
French No3AM	£117.25s	......	£119
Wheat			
No. 1 Red Spg.	‡	......	‡
No2HardWint.	£98.50s	+1.25	£104.25
Eng. Milling†	‡	......	‡
Other commodities			
Cocoa ship't	£1,525	-14	£1,505
Future May	£1,467	-19	£1,454.5
CoffeeF'tr Mar	£1,523.5	+8	£1,558.5
Cotton A.Index	94.50*	+2	84.65s
Rubber (kilo)	79.0p	+0.5	68.50p
Sugar (Raw)	£214	+3	£172
Wooltp's 64s kl	292p kilo	+2	279pkilo

r March. s Feb. v Feb.-March. t March-April. u April. w May. z Indicator. § Buyer. * Nominal.

BRADFORD—Wool prices are tending firmer with crossbreds slightly slower than merinos. However, demand is generally from overseas as British buyers are affected by declining order books.

COTTON

LIVERPOOL—Spot and shipment sales amounted to 183 tonnes, bringing the total for the week so far to 432 tonnes. Mixed operations indicated some freer involvement among spinners. Activity centred on Middle Eastern growth, including Russian and Turkish.

MEAT/VEGETABLES

SMITHFIELD—Pence per pound. Beef: Scottish killed sides 64.0 to 68.0; Eire hindquarters 70.0 to 72.0, forequarters 48.0 to 50.0. Veal: English fats 78.0 to 86.0; Dutch hinds and ends 108.0 to 112.0. Lamb: English small 54.0 to 64.0, medium 44.0 to 58.0, heavy 40.0 to 53.0; Scottish medium 44.0 to 56.0, heavy 40.0 to 53.0. Imported frozen: NZ PL new season 50.0 to 51.0. Pork: English, under 100 lb 40.0 to 50.0, 100-120 lb 38.0 to 48.0, 120-160 lb 37.0 to 45.0.

MEAT COMMISSION—Average fatstock prices at representative markets on January 31. GB—Cattle 79.82p per kglw (−0.52). UK—Sheep 136.7p per kgestdcw (−4.5). GB—Pigs 64.9p per kglw (−1.7).

COVENT GARDEN—Prices in sterling per package except where otherwise stated: Imported Produce: Oranges—Spanish: Navel/Navelinas 3.60-4.20; Jaffa: Navels/Shamouti 50/189s 3.90-5.50; Greek: 2.50-2.60; Moroccan: 64/113s 3.80-4.00; Egyptian: 2.80-3.00. Satsumas—Spanish: 95/189s 3.00-3.80. Lemons—Italian: 100/150s 5.00-5.20; Cypriot: 11 kg. 84/120s 3.30-4.40. Grapefruit—Cypriot: 20 kg 3.00-4.40; Jaffa: large boxes 32/38s 3.80-4.80; Florida: Pink flesh 38/48s 4.80-5.00. Sours/Bitters—Spanish: 5.00-5.20. Apples—French: Golden Delicious, boxes 40 lb 138/175 4.20-5.40, 20 lb 2.20-2.70; Granny Smith 28 lb 2.40-3.00, 40 lb 4.50-6.00, Starkcrimson, approx. 20 lb 72s 2.80; 40 lb 5.80-6.30; Hungarian: Starking 40 lb 138s 6.20; Canadian: Red Delicious 40 lb 8.50-9.80; Italian: Granny Smith 20 lb, per pound 0.13-0.15. Grapes—Californian: Red Emperor, per pound 0.50; S. African: 11 lb Dan Ben Hannah 11.00, Alphonse Lavalle 13.00, Queen of the Vineyard 7.20-7.40. Plums—S. African: Santa Rosas per pound 0.25-0.30, Gaviotas 0.34-0.45. Peaches—S. African: 23/25/28s 2.80-4.00. Avocados—Israeli: 4.30-4.80. Melons—Spanish: 15 kg Green 12/15/18s 15.00. Pineapples—Ivory Coast: each 12s 0.60-0.70, 6s 1.00-1.10. Onions—Spanish: 5.80-6.00; Dutch: 3.00-3.20. Tomatoes—Canary: 4.40-5.50. Bananas—Jamaican: 28 lb 0.17-0.17½. Lettuces—Dutch: 24s 2.80-3.00. Cucumbers—Canary: 10s 4.00, 12/14s 4.00-4.20. Capsicums—Canary: per pound 0.27-0.33. Celery—American: 36s 13.00; Israeli: 20/24s 6.30; Spanish: 5.00-5.30. Cauliflowers—French: 24s 7.50-8.00. Potatoes—Italian: boxes 20 lb 3.00; Cypriot: 55 lb 4.90-5.00; Egyptian: 5.00. Dates—Tunisian: 30s per box 0.36-0.42; Californian: per pound 0.30-0.31. English Produce: Potatoes—per bag 2.00-3.00. Lettuces—per 12, round 1.20-1.60. Mushrooms — per pound 0.60-0.80. Apples—per pound Bramley 0.06-0.14, Cox's Orange Pippin 0.07-0.15, Laxton 0.08-0.10, Spartans 0.06-0.14, Red Delicious 0.08-0.14. Pears—per pound Conference 0.05-0.10, Comice 0.10-0.20. Swedes—per 25/28 lb 0.70-0.80. Parsnips—per 28 lb 1.00-1.20. Turnips—per 28 lb 1.00-1.20. Rhubarb—per pound, forced 0.18-0.20. Sprouts—per pound 0.05-0.07. Cabbages—per bag 0.80-0.90, White cabbages 1.50. Onions—per bag 2.20-2.80. Carrots—per bag 0.50-0.80. Beetroots—per bag 1.00-1.10.

*

GRIMSBY FISH — Supply good, demand fair. Prices at ship's side (unprocessed) per stone: Shelf cod £3.60-£4.20, codlings £2.20-£3.20. Large haddock £3.70-£4.40, medium £3.30-£4.00; small £2.00-£2.60. Large plaice £3.90, medium £3.00-£3.70, best small £3.40-£3.70. Skinned dogfish (large) £10.00, medium £8.00. Lemon soles (large) £11.00, medium £9.50. Rockfish £3.00. Saithe £2.80-£3.20.

CORAL INDEX: Close 451-456 (−5)

COMPANY NOTICES

GREATERMANS NATAL & FREE STATE HOLDINGS LIMITED

NOTICE TO THIRD 6% PREFERENCE DIVIDEND ON THIRD 6% PREFERENCE SHARES

NOTICE IS HEREBY GIVEN that the Board of Directors has declared the following dividend payable on the 31st March, 1980, to Third 6% Preference Shareholders registered in the books of the COMPANY at the close of business on Friday, 15th February, 1980:

THIRD 6% REDEEMABLE CUMULATIVE PREFERENCE SHARES—DIVIDEND NO. 20

A dividend at the rate of 6% per annum for the six months ending 31st March, 1980—equivalent to 6 cents per share.

The dividen is declared in South African currency and dividends payable from the London Office will be paid in United Kingdom currency calculated at the rate of exchange ruling between Rand and Sterling on the 14th March, 1980.

Dividend cheques despatched from the London Office to persons resident in Great Britain or Northern Ireland will be subject to a deduction of United Kingdom Income Tax at rates to be arrived at after allowing for relief (if any) in respect of South African Taxes.

The COMPANY will, where applicable, deduct the Non-Resident Shareholders' Tax of 15% from dividends payable.

For the purpose of paying the above dividend the Third 6% Preference Share Register will be closed from the 16th February to the 29th February, 1980, both days inclusive.

Dividend cheques in payment will be posted on or after the 31st March, 1980.

By Order of the Board,
B. C. CRAGG, Secretary.

Registered Office:
220 Commissioner Street,
JOHANNESBURG.
Transfer Secretaries:
Central Registrars Limited,
28, Harrison Street,
JOHANNESBURG.
(P.O. Box 61042, Marshalltown, 2107.)
London Office:
Granby Registration Services,
Bourne House,
34, Beckenham Road,
Beckenham,
KENT. BR3 4TU.

JUGOBANKA UNITED BANK
FLOATING RATE NOTES DUE 1983

In accordance with the provisions of the Notes notice is hereby given that for the six month interest period February 1, 1980, to August 1, 1980, the Notes will carry an interest rate of 15¹¹⁄₁₆% per annum. The interest payable on the relevant interest payment date, August 1, against Coupon No 6 will be as follows:

Notes in denominations of US$100,000: $7,930.90

Notes in denominations of US$10,000: $793.09

Notes in denominations of US$1,000: $79.31

By THE CHASE MANHATTAN BANK, N.A., LONDON
as Fiscal Agent and Agent Bank
February 1, 1980.

TO THE HOLDERS OF
INSILCO OVERSEAS CAPITAL COPORATION N.V.

GUARANTEED FLOATING RATE LOAN NOTES 1980

In accordance with the provisions of the above Notes, Morgan Guaranty Trust Company of New York, as Fiscal Agent, has determined the rate of interest payable with respect to Coupon No. 20 on Thursday, July 31st 1980, to be fifteen and five-eighths per cent (15⅝%) per annum.

MORGAN GUARANTY TRUST COMPANY OF NEW YORK
Fiscal Agent

Dated February 1st, 1980.

TRAVEL

PUBLIC NOTICES

CITY OF BRADFORD METROPOLITAN COUNCIL

Bills amounting to £2,900,000 were issued on 30 January, 1980, for maturity on 30 April, 1980. 65% were issued at the minimum rate of 15-59/64%. Applications total £17,400,000. Bills outstanding total £5,800,000.

EUROPEAN MARKETS

ROTTERDAM, January 31.

Wheat—U.S. No. 2 Dark Hard Winter, 13.5 per cent, Feb. $203, March $205. U.S. Hard Winter ordinary unquoted. U.S. No. 2 Red Winter Feb. $202, March $204. U.S. No. 2 Northern Spring, 14 per cent, Feb $210.50, March $213, April-May $201, May-June $201, June-July $203, July-Aug. $204.

Maize—U.S. No. 3 Corn Yellow afloat $132, Jan. $132, Feb. $132, March $134.50, April-June $141.50, July-Sept. $147, Oct.-Dec. $150.

Soyabeans—U.S. Two Yellow Gulfports afloat $273.50, Feb. $272, March $274.50, April $280, May $282.50, June $288.50, July $290, Aug. $293.50, Sept. $296.25, Oct. $297.75, Nov. $297.50, Dec. $303.25, Jan. $306.50. Brazil Yellow Faq. unquoted. Argentine unquoted.

Soyameal—44 per cent protein U.S. afloat $248, Jan. $247.50, Feb $244, March $242, April-May $241, April-Sept. $244, Nov.-March $259. Brazil Pellets afloat $270, March $252, April-May $246, April-Sept. $250.

PARIS, January 31

Cocoa (FFr per 100 kilos)—March 1351-55, May 1336-42, July 1340, Sept. 1340, Dec. 1365-70, March 1370-80. Sales at call 0.

Sugar (FFr per 100 kilos)—March 2005-10, May 2050-52, July 2050-70, Aug. 2079-80, Oct. 2090-2110, Nov. 2085-2110, Dec. 2111-29, March 2120-50. Sales at call 133.

INDICES

FINANCIAL TIMES

Jan 30	Jan. 29	M'nth ago	Year ago
308.83	307.01	295.98	261.97

(Base: July 1, 1952=100)

MOODY'S

Jan. 30	Jan. 29	M'nth ago	Year ago
1422.9	1423.7	1390.5	1010.9

(December 31, 1931=100)

DOW JONES

Dow Jones	Jan. 30	Jan. 29	Month ago	Year ago
Spot	444.67	439.61	415.77	376.16
F'tur's	450.79	446.47	421.10	369.29

(Average 1924-25-26=100)

REUTERS

Jan. 31	Jan. 30	M'nth ago	Year ago
1809.5	1808.2	1718.3	1514.8

(Base: September 18, 1931=100)

Australian wool strike over

MELBOURNE—Striking wool storemen and packers around Australia will return to work today.

Mr. Simon Crean, Federal secretary of the Storemen and Packers' Union, said the men had decided to resume work after a strike lasting more than two weeks, to allow Arbitration Commission conferences to take place.

The men were recently granted wage rises of up to £8 a week by an Arbitration Commissioner, but the employers appealed against the decision.

The strike, involving about 1,600 men, was then called in protest over the appeal, and has held up the movement of wool worth tens of millions of pounds.

Corn syrup plant expansion

DAYTON OHIO—Car-Mi, a joint venture of Cargill and Miles Laboratories, is to begin expanding its high-fructose corn syrup (HFCS) plant.

Car-Mi expects this to double the plant's capacity for HFCS production to produce 400 lb of 55 per cent HFCS annually. The plans will be completed by April 1981.

The project resulted from increased demand for 42 per cent HFCS and acceptance of 55 per cent HFCS as a sugar replacement by the soft drink industry, Mitchell said.

The company also is adding HFCS facilities to plants in Tennessee and Iowa.

Reuter

Equities remain sensitive to international situation

Short Gilts under pressure owing to credit shortage

Account Dealing Dates

Options

*First Dealings	Declarations	Last Dealings	Account Day
Jan. 14	Jan. 24	Jan. 25	Feb. 4
Jan. 28	Feb. 7	Feb. 8	Feb. 18
Feb. 11	Feb. 21	Feb. 22	Mar. 3

* "New time" dealings may take place from 9.30 a.m. two business days earlier.

Leading equities received an initial boost yesterday on hopes encouraged by the readiness of the two main steel unions to resume exploratory talks to find a settlement of the dispute. Prices were opened some pence higher but institutional buyers again held off and scattered profit-taking soon began to pare the gains.

Subsequently, the market became agitated by conflicting reports about the situation in Afghanistan and about the U.S. hostages in Teheran. Sentiment in the market was not helped by the ultra-sensitive attitude of one firm of leading jobbers, reflected in sharp mark-downs which tended to inhibit business and send potential buyers scurrying to the sidelines.

Rallying movements were attempted but proved to be short-lived until trade after the official close when leading shares picked up from the day's lowest. The FT 30-share index amply charted the course of events with a rise of 3.9 at the first calculation of the day, a net loss of 1.7 an hour later which was extended to 5.4 at 3 pm, and a closing fall of 4.3 at 453.3.

A continued shortage of credit in money markets put Discount Houses under pressure and their efforts to become more liquid showed through in substantial selling of short-dated Gilt-edged securities. The market steadied during the after-hours' trade but losses stretching to ⅞ were finally reduced by only ¼. The short tap, **Exchequer 13¼ per cent 1983** (£60-paid), which was activated last week at 60¼, closed ¹¹⁄₁₆ down at 59.

After a steady start, longer-dated issues followed the downturn in the shorts and ended with falls extending to ⅝. Interest continued to focus on the recently-exhausted tap stock, **Treasury 12½ per cent A 2003-05**, which settled that amount lower at £23½ in £25-paid form; in first-time dealings last Friday the stock touched £26¼.

Gold shares were again dominated by the antics of the bullion price and yesterday's fall in the latter brought a sharp mark-down from which the share market failed to recover. Yet again, the movement in the FT Gold Mines index reached double figures with a loss of 20.6 at 329.9.

Demand for Traded options contracted 573 deals being arranged compared with the previous day's 1,030. The more active issues included **RTZ**, 145, **BP**, 125, and **Racal**, 110.

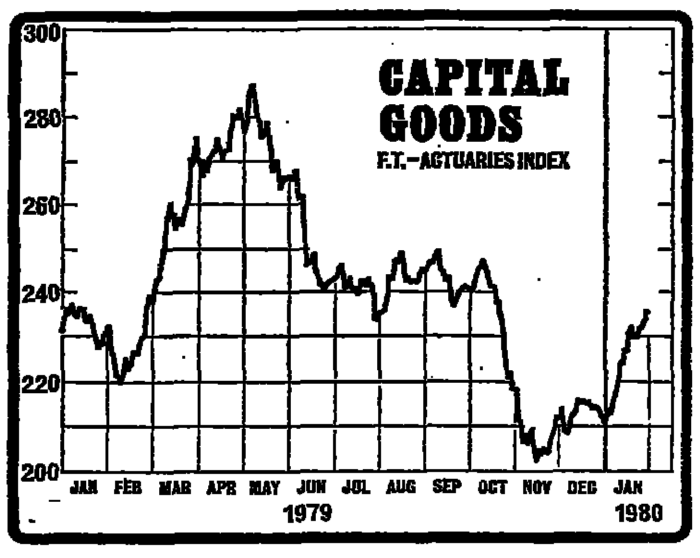
Hambros up again

Midland edged forward a couple of pence more to 377p but other major clearing banks drifted lower on lack of support. **Lloyds** dipped 4 to 308p, while **Barclays**, 432p, and **NatWest**, 362p, cheapened 3 apiece. Elsewhere, **Bank Leumi (UK)** rose 10 to 120p in response to the results but **Hongkong and Shanghai**, at 196p, lost 4 of the recent rise which followed news of U.S. clearance for the group's £140m takeover of Marine Midland. Still reflecting Press comment, **Hambros** firmed 5 more for a rise on the week so far of 24 to 338p. **Schroders** hardened 15 to 450p in a thin market but **Antony Gibbs** gave up 2 to 78p. Hire Purchases gave ground with **Lloyds and Scottish** 4 off at 133p and **Wagon Finance** a penny lower at 38p.

Allied Breweries fell 2½ to 73½p following news of the £21m placing at about 71p per share to fund the purchase of Lorimer's, the Scottish public house and hotel subsidiary of north country concern **Vaux**. Dealings in the latter, suspended at 136p pending the announcement, resumed at the day's peak of 160p before settling at 150p for a net gain of 14. Other leading Breweries tended easier in reaction to the Allied placing. **Bass** declined 6 to 200p, while **Scottish and Newcastle** eased 1½ to 57½p. Among regional issues, **Davenports** encountered renewed takeover speculation and improved 7 to 155p, while **Morland** continued firm, closing 3 better at 108p, as did **Home Brewery**, at 325p.

Leading Building descriptions drifted lower in quiet trading. **BPB** eased 4 to 186p and **Redland** shed 5 to 167p, while **London Brick** relinquished 1½ to 66p. In secondary issues, **Ibstock Johnsen** were notable for a gain of 4 at 73p, while speculative counter **Mallinson-Denny** added a couple of pence to 52p. **SGB** improved 5 to 240p, but **Burt Boulton**, a good market of late on the interim statement, gave up 15 to 200p in a thin market.

ICI encountered early buying and touched 390p before the liquidation of short-term bull positions left the close a couple of pence cheaper on balance at 383p. **Fisons** shed 4 for a two-day fall of 8 to 284p.



Debenhams below best

Still buoyed by suggestions of a bid, **Debenhams** touched 86p initially but closed unchanged at 84p. Elsewhere in Stores, fading bid hopes left **House of Fraser** 3 down at 137p, while **Gussies A** moved between extremes of 410p and 402p before closing a net 2 down on balance at 404p. **Grattan Warehouses** came on offer at 100p, down 8, but demand in a thin market lifted **Bremner** 4 to 55p. **Currys** closed a similar amount up at 184p and **Bolton Textile** hardened 2 to 30p. In Shoes, **Stylo** lost 5 more to 160p.

Louis Newmark responded to the increased interim dividend and profits with a gain of 12 to 245p, while occasional support ahead of next Tuesday's half-yearly statement left **Unitech** 8 to the good at 248p. Elsewhere in Electricals, **Automated Security** improved 5 to 245p, but **United Scientific**, a good market of late, encountered scattered selling and reacted 7 to 428p. Leading issues fluctuated narrowly before closing with little alteration on balance.

Among the Engineering leaders, scattered demand lifted **GKN** 6 to 270p, but **Vickers** closed without alteration at 131p, after touching 134p in the early dealings. Elsewhere, **Hill and Smith** were outstanding at 50½p, up 6¼, in response to the annual results and proposed one-for-ten scrip issue, while comment on the preliminary figures prompted renewed firmness in **F. Pratt**, up 2 further at 64p. Fresh demand in a limited market left **Chemring** 6 to the good at 128p. **Midland Industries** continued firmly and improved 2 more to 93p along with **Amalgamated Power**, a similar amount dearer at 76p.

Foods made a dull showing on continued worries about the squeeze on profit margins. Among Retailers, **J. Sainsbury** remained on offer at 287p, down 6, while **Associated Dairies** eased 2 to 170p, after 168p, and **Tesco** shed a penny to 64½p. **Kwik Save** and **Fitch Lovell** gave up 3 apiece to 104p and 78p respectively, while **Linfood** cheapened 4 to 153p. Manufacturers contributed to the dull trend with **Tate and Lyle** declining 5 to 170p and **Rowntree Mackintosh** 4 to 158p. Biscuit concerns **Associated**, 86p, and **United**, 83p, shed 2 and 4 respectively. Small selling in a thin market left **Taverner Rutledge** 2 cheaper at 30p, but **Bernard Matthews** responded to occasional support and added 7 to 280p. **Louis C. Edwards** put on 5½ to 57½p on the acquisition of Dalgety's Frozen Food subsidiary for £850,000 cash. **Morgan Edwards**, the former's prospective merger partner, held at 106p.

In Hotels and Caterers, renewed interest was shown in **Ladbroke** which firmed 9 to 162p.

Beecham & Glaxo dull

Rumours of a drug price war in the U.S. unsettled **Beecham** and **Glaxo**. The former fell 7 to 123p and the latter 13 to 477p. Other miscellaneous industrial leaders drifted lower on lack of support to close with falls of around 4. **Boots**, 186p, **Unilever**, 460p, and **Pilkington**, 230p all ending that much lower. Elsewhere, **"W" Ribbons** rose 6 to 30p in response to the announcement that the group is to sell its German seat belt division for £1.2m. Investment interest was again shown in **Sothebys** which moved ahead strongly to finish 17 to the good at 487p, while **Christies International** advanced 9 to 176p in sympathy. **Blundell-Permoglaze** added 3 to 100p on the results and **Aeronautical and General Instruments** firmed 7 to 240p on renewed speculative support. **Ricardo** added 7 to 370p but **Gestetner A** fell 5 to 65p as did **Huntleigh**, to 78p. Firm recently following details of the deal with English Property, **Hays Wharf** relinquished 5 to 148p after the AGM. **British Cinematograph** closed unaltered at 95p; the price in recent issues was incorrect.

Motor sectors were irregular. **Dowty** lacked support in front of Wednesday's interim results and shed 9 to 164p, while **Associated Engineering** fell 4½ to 74½p following the annual meeting. **Fodens** gave up a couple of pence to 31p, but **ERF** put on 3 to 94p.

Lessened optimism about the outlook for interest rates prompted scattered selling in the Property sector with **Land Securities** easing 4 to 287p and **Stock Conversion** shedding 8 to 366p. **Haslemere Estates** and **Brixton Estates** gave up 6 apiece to 284p and 129p respectively, while **Berkeley Hambro** eased 4 to 184p. **Town and City**, interim figures today, slipped ¾ to 19¾p, but further demand was forthcoming for **London and Provincial Shop** which, in a thin market, firmed 5 to 280p. **Percy Bilton** attracted buyers and hardened 2 to 225p, while **Warnford Investments** added 5 to 390p.

Secondary Oils encountered further profit-taking, but buying interest was shown at the lower levels and selected issues closed above the day's worst. **Siebens (UK)** touched 638p before settling without alteration at 650p, while **Gas Oil and Acreage** finished 50 down at 350p, after 340p. **CCP North Sea** gave up 11 more to 309p and **Clyde** closed similarly cheaper at 328p. **Carless Capel**, 80p, and **Ultramar**, 436p, eased 6 and 8 respectively. Among the leaders, **British Petroleum** new shares picked up 2 to 152p; the call of 213p on each new share is due on Wednesday, February 6, and not Thursday as stated here yesterday. **Shell** finished without alteration at 358p, after 362p.

Among Shippings, **Walter Runciman** continued to attract buyers and put on 2½ more to 108p, but **Milford Docks** came on offer at 157p, down 10.

Plantations continued to respond to small buying in narrow markets, although some profit-taking became apparent and most finished a shade below the day's best. **Lendu**, 93p, and **Rembia**, 80p, both jumped around 15, while **Bertam** rose 5 to 69p. **Inch Kenneth** closed 8 up at 281p, as did **Guthrie**, at 708p. **Padang Senang** added 13 to 100p, but **Sungei Bahru** shed that amount to 213p. Teas also attracted support, with **Lunuva** advancing 35 to 370p. **McLeod Russell** rose 21 to 340p following the disposal of part of its holding in **London Sumatra**, 10 up at 435p. **Warren**, up to 157p ahead of the announcement, fell back to the overnight level of 152p following the lower first-half profits.

Golds fall

South African Golds gave up more than half the gains of the previous two days as the bullion price fell sharply to close $40 off at $650 an ounce.

Activity in Golds was at a low level as an initial heavy mark-down of prices led to further small selling and a marked absence of any fresh buying. Towards the close, however, the market picked up a fraction on "cheap" buying. The Gold Mines index dropped 20.6 to 329.9.

South African Financials were broadly lower with one or two exceptions. **"Amgold"** gave up £2 to £38¼ and **Anglo American Corporation** 20 to 610p, but **De Beers** rallied from 454p to close a net 2 firmer at 466p, after touching 474p following the news of a 12 per cent increase in the price of rough diamonds.

London Financials rallied well after a weak start. **Gold Fields** were active and recovered from 460p to close 2 up on balance at 470p following renewed speculative support, while **Rio Tinto-Zinc** were finally 4 easier at 406p, after 402p.

Platinums were marked down along with Golds but were showing signs of a strong recovery at the close. **Rustenburg** ended 13 off at 271p, after 265p, while **Impala** finished 8 down at 282p, after 272p.

Australians were featured by the diamond exploration issues which moved up following the De Beers' diamond price rise.

Conzinc Riotinto were in particular demand and gained 20 to 308p, while **Ashton** rose 9 to 156p.

Among the more speculativ issues, **Otter Exploration** rallie from 75p to close barel changed at 81p in front of th latest progress report from th Griffins gold prospect.

FINANCIAL TIMES STOCK INDICES

—	Jan. 31	Jan. 30	Jan. 29	Jan. 28	Jan. 25	Jan. 24	A year ago
Government Secs.	67.27	67.69	67.63	67.64	67.78	68.25	66.04
Fixed Interest	68.76	69.04	68.89	69.01	69.40	69.61	67.74
Industrial	453.3	457.6	464.0	453.6	452.4	448.7	468.5
Gold Mines	329.9	350.5	334.6	311.2	324.2	320.7	166.8
Ord. Div. Yield	7.20	7.15	7.08	7.25	7.27	7.34	6.14
Earnings,Yld. % (full)	17.76	17.64	17.46	17.89	17.94	18.08	16.06
P/E Ratio (net) (*)	6.91	6.96	7.04	6.87	6.85	6.79	8.08
Total bargains	21,294	23,564	22,822	21,305	23,407	23,058	—
Equity turnover £m	—	139.17	115.99	139.54	134.23	125.80	88.21
Equity bargains total	—	18,252	18,084	15,660	17,958	17,233	13,164

10 am 461.5. 11 am 455.9. Noon 454.2. 1 pm 453.7. 2 pm 453.6. 3 pm 452.2.

Latest Index 01-246 8026.

* Nil=6.67.

Basis 100 Govt. Secs. 15/10/26. Fixed Int. 1928. Industrial Ord. 1/7/35. Gold Mines 12/9/55. SE Activity July-Dec. 1942.

HIGHS AND LOWS

	1979/80 High	1979/80 Low	Since Compilat'n High	Since Compilat'n Low
Govt. Secs.	75.91 (4/6)	63.30 (10/12)	127.4 (9/1/35)	49.18 (3/1/75)
Fixed Int.	77.76 (6/6)	64.06 (15/11)	150.4 (28/11/47)	50.53 (3/1/75)
Ind. Ord.	558.6 (4/5)	406.3 (15/11)	558.6 (4/5/79)	49.4 (26/6/40)
Gold Mines	360.4 (18/1/80)	129.9 (17/4)	442.3 (22/5/75)	43.5 (26/10/71)

S.E. ACTIVITY

	Jan. 31	Jan. 30
—Daily		
Gilt Edged	108.5	136.9
Industrials	127.8	145.7
Speculative	65.0	64.2
Totals	90.1	100.3
5-d'y Av'ge		
Gilt Edged	119.4	127.9
Industrials	124.9	132.7
Speculative	63.5	69.1
Totals	88.6	88.3

NEW HIGHS AND LOWS FOR 1979/8

The following securities quoted in t Share Information Service yesterd attained new Highs and Lows for 1979-8

NEW HIGHS (39)

AMERICANS (2)
Fluor Corp. Zapata Corp.
CANADIANS (1)
Gulf Oil Canada
BUILDINGS (2)
BPB Inds. I.D.C
CHEMICALS (1)
British Benzol
ELECTRICALS (5)
Automated Security Pifco
Perkin Elmer 4pc Do. A
Unitech
ENGINEERING (2)
Chemring
FOODS (1)
Edwards (Lou. C.)
INDUSTRIALS (6)
Aeronautical & Genl. Gripperrods
Christies Int. Jourdan (T.)
G.R. Holdings Ricardo
MOTORS (1)
Caffyns
PROPERTY (1)
Mucklow (A. & J.)
SHIPPING (1)
Runciman (W.)
TEXTILES (1)
Hollas Group
TRUSTS (2)
Carliol Inv. Rothschild Inv.
OIL & GAS (3)
Cluff Oil Santos
Do. Conv. A
OVERSEAS TRADERS (2)
Inchcape Mitchell Cotts
RUBBERS (3)
Bertam Cons. London Sumatra
Guthrie
TEAS (3)
McLeod Russel Lunuva
Williamson
MINES (3)
M.I.M. Peko-Wallsend
Mount Lyell

NEW LOWS (13)

BRITISH FUNDS (2)
Exchqr. 13½pc 1983 Treas. 12½pc '03-05
(£60 pd.) A (£25 pd.)
AMERICANS (1)
Richardson-Merrell
BEERS (1)
Allied Breweries
STORES (1)
Vantona
ENGINEERING (2)
Bamfords Wombwell Foundry
INDUSTRIALS (4)
Brit. Cargo Airlines P.M.A.
Gestetner A Witter (Thomas)
PAPER (1)
Melody Mills
TEXTILES (1)
Coats Patons

RISES AND FALLS YESTERDAY

	Up	Down	Sa
British Funds	1	84	
Corpns. Dom. and Foreign Bonds	—	23	4
Industrials	206	310	88
Financial and Prop.	116	131	25
Oils	11	16	1
Plantations	6	4	1
Mines	21	80	4
Others	45	42	7
Totals	406	690	1,34

MONTHLY AVERAGES OF STOCK INDICES

—	January	December	November	October
Financial Times				
Government Securities	67.14	64.76	65.55	70.85
Fixed Interest	68.00	65.58	66.44	71.63
Industrial Ordinary	440.6	419.8	416.9	466.4
Gold Mines	315.8	258.5	212.7	216.9
Total Bargains	22,816	15,221	18,135	18,168
F.T.— Actuaries				
Industrial Group	219.73	209.33	206.96	234.61
500 Share	257.86	249.53	247.82	274.70
Financial Group	187.93	179.53	169.39	192.43
All-Share (750)	240.85	230.78	226.12	251.71
Red. Debs.& Loans	50.19	49.49	51.89	56.83

	High	Low
Industrial Ordinary	464.0 (29th)	406.9 (3rd)
All-Share	252.95 (30th)	225.06 (3rd)

FT-ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries

	EQUITY GROUPS & SUB-SECTIONS Figures in parentheses show number of stocks per section	Thurs., Jan. 31, 1980 Index No.	Day's Change %	Est. Earnings Yield % (Max.)	Gross Div. Yield % (ACT at 30%)	Est. P/E Ratio (Net)	Wed., Jan. 30 Index No.	Tues., Jan. 29 Index No.	Mon., Jan. 28 Index No.	Fri., Jan. 25 Index No.	Year ago (approx.) Index No.
1	CAPITAL GOODS (172)	234.81	−0.4	18.54	6.65	6.81	235.76	234.63	231.88	232.22	232.04
2	Building Materials (27)	230.34	−1.0	17.08	6.80	7.51	232.55	228.15	225.72	225.46	206.19
3	Contracting, Construction (29)	354.04	−0.2	26.07	6.84	4.74	354.74	350.78	349.29	348.01	350.03
4	Electricals (15)	593.83	+0.1	13.64	4.18	9.78	593.38	595.26	585.60	592.37	545.15
5	Engineering Contractors (11)	289.12	−0.9	25.62	8.85	4.97	291.75	287.12	285.04	282.32	358.99
6	Mechanical Engineering (74)	162.53	−1.0	21.11	8.00	5.87	164.15	163.76	162.24	161.85	180.50
8	Metals and Metal Forming (16)	162.86	+0.5	20.90	9.32	5.71	162.04	162.28	160.05	159.12	160.81
11	CONSUMER GOODS (DURABLE) (50)	218.84	−0.2	16.30	5.58	7.57	219.21	219.15	215.11	214.20	205.83
12	Lt. Electronics, Radio, TV (15)	303.80	+0.3	12.62	4.23	10.17	302.82	302.90	296.95	296.00	263.33
13	Household Goods (14)	114.60	−0.3	26.32	9.57	4.58	115.00	114.02	114.52	113.86	164.86
14	Motors and Distributors (21)	114.25	−1.4	23.52	8.16	5.02	115.84	115.86	113.50	112.77	116.32
21	CONSUMER GOODS (NON-DURABLE) (173)	219.98	−1.0	18.38	6.93	6.71	222.31	223.78	222.05	222.41	211.12
22	Breweries (14)	253.06	−2.0	17.66	6.91	6.65	258.30	259.89	258.45	259.97	229.67
23	Wines and Spirits (5)	294.87	−0.8	18.41	6.28	6.71	297.39	302.78	302.96	306.31	296.09
24	Entertainment, Catering (17)	305.51	−0.3	18.27	6.86	6.89	306.39	305.90	300.54	301.19	278.73
25	Food Manufacturing (19)	201.81	−1.3	20.06	7.21	6.16	204.55	203.80	203.01	202.32	199.16
26	Food Retailing (15)	299.14	−2.0	13.87	5.01	8.61	305.25	307.34	310.33	319.14	233.36
32	Newspapers, Publishing (13)	435.56	−0.6	23.17	6.90	5.89	438.08	438.68	428.91	428.69	381.48
33	Packaging and Paper (15)	128.91	+0.1	23.10	8.81	5.57	128.84	130.28	125.58	124.50	138.36
34	Stores (43)	219.37	−1.0	14.03	5.18	9.21	221.68	222.96	221.00	220.45	193.56
35	Textiles (23)	128.19	−0.4	28.73	12.67	4.40	128.69	130.78	129.70	130.33	176.55
36	Tobaccos (3)	215.59	−0.3	26.44	10.63	4.27	216.17	220.95	219.39	217.29	248.40
37	Toys and Games (6)	43.32	−0.3	37.79	16.53	3.34	43.46	43.87	43.69	43.82	92.95
41	OTHER GROUPS (97)	204.96	−0.9	15.48	6.59	7.83	206.83	206.35	203.97	202.46	195.55
42	Chemicals (17)	302.87	−0.5	16.23	6.66	7.11	304.37	306.23	300.26	296.98	276.23
43	Pharmaceutical Products (7)	210.01	−3.0	12.12	6.09	10.06	216.55	219.97	215.78	213.86	239.95
44	Office Equipment (6)	116.40	−1.3	18.82	7.02	6.25	117.91	116.09	115.13	115.37	127.57
45	Shipping (10)	443.12	+0.2	11.95	7.29	10.68	442.36	435.86	433.39	433.65	421.42
46	Miscellaneous (57)	242.79	−0.4	16.36	6.56	7.75	243.78	240.24	239.82	238.27	214.11
49	INDUSTRIAL GROUP (492)	227.10	−0.8	17.56	6.68	7.04	228.90	229.15	226.76	226.52	218.90
51	Oils (8)	747.34	+0.5	15.04	6.38	7.19	743.93	751.53	717.74	704.17	514.41
59	500 SHARE INDEX	268.26	−0.5	17.03	6.62	7.07	269.69	270.49	265.71	264.47	243.40
61	FINANCIAL GROUP (117)	196.77	−0.6	—	5.62	—	198.01	196.69	193.44	192.87	172.12
62	Banks (6)	228.39	−0.6	36.41	5.69	3.51	229.81	228.75	224.23	221.65	207.12
63	Discount Houses (10)	245.17	—	—	8.31	—	245.17	244.93	245.60	246.96	211.59
64	Hire Purchase (5)	183.65	−2.2	18.25	5.18	7.10	187.85	182.83	182.83	182.37	164.61
65	Insurance (Life) (10)	168.67	+0.1	—	6.23	—	168.59	163.05	161.40	160.78	131.97
66	Insurance (Composite) (9)	130.39	−0.8	—	7.45	—	131.47	130.83	128.97	129.34	121.01
67	Insurance Brokers (10)	290.85	−0.2	16.98	6.74	8.46	291.51	290.67	287.87	288.81	309.96
68	Merchant Banks (14)	101.79	+0.2	—	5.85	—	101.55	99.70	98.51	98.34	80.95
69	Property (44)	356.04	−0.9	3.70	3.04	38.69	359.22	360.01	351.20	351.05	281.82
70	Miscellaneous (9)	128.70	−0.7	16.14	7.09	8.13	129.57	128.99	128.24	127.90	113.41
71	Investment Trusts (109)	218.23	+0.2	—	5.67	—	217.84	213.18	212.54	211.40	212.59
81	Mining Finance (4)	197.57	−0.4	11.67	4.47	10.41	198.44	198.88	193.58	193.05	120.29
91	Overseas Traders (20)	395.00	−0.2	12.96	6.67	9.36	395.80	389.38	386.73	379.13	323.88
99	ALL-SHARE INDEX (750)	251.70	−0.5	—	6.33	—	252.95	252.82	248.60	247.43	225.20

FIXED INTEREST PRICE INDICES

	British Government	Thurs., Jan. 31	Day's change %	xd adj. today	xd adj. 1980 to date
1	Under 5 years	101.00	−0.43	—	0.68
2	5-15 years	105.16	−0.59	—	1.88
3	Over 15 years	111.75	−0.59	—	0.42
4	Irredeemables	131.69	−0.72	—	0.00
5	All stocks	105.85	−0.53	—	0.86

FIXED INTEREST YIELDS

British Govt. Av. Gross Red.

			Thurs., Jan. 31	Wed., Jan. 30	Year ago (approx.)
1	Low Coupons	5 years	12.18	12.09	10.36
2		15 years	12.18	12.09	12.10
3		25 years	12.18	12.09	12.90
4	Medium Coupons	5 years	14.40	14.20	13.55
5		15 years	13.81	13.71	13.56
6		25 years	13.72	13.62	13.56
7	High Coupons	5 years	14.87	14.66	13.58
8		15 years	14.30	14.20	14.10
9		25 years	14.00	13.91	14.09
10	Irredeemables		11.22	11.13	12.55

		Thurs., Jan. 31 Index No.	Thurs., Jan. 31 Yield %	Wed. Jan. 30	Tues. Jan. 29	Mon. Jan. 28	Fri. Jan. 25	Thurs. Jan. 24	Wed. Jan. 23	Tues. Jan. 22	Year ago (approx)
15	20-yr. Red. Deb & Loans (15)	51.93	†14.25	51.10	51.02	51.04	50.90	50.94	50.88	50.87	53.06
16	Investment Trust Prefs. (15)	48.18	14.00	48.43	48.43	47.88	47.96	47.96	47.96	47.91	49.85
17	Coml. and Indl. Prefs. (20)	61.94	14.46	62.27	62.21	62.02	62.03	62.01	62.01	61.96	70.82

† Redemption yield. Highs and lows record base dates and values and constituent changes are published in Saturday issues. A new list of the constituents is available from the Publishers, the Financial Times, Bracken House, Cannon Street, London, EC4P 4BY, price 14p, by post 22p.

ACTIVE STOCKS

Stock	Denomination	No. of marks	Closing price (p)	Change on day	1979-80 high	1979-80 low
Beecham	25p	11	123	− 7	189	114
Cons. Gold Fields	25p	9	470	+ 2	482	178
ICI	£1	9	383	− 2	415	314
Shell Transport	25p	9	358	—	402	278
BP "New"	25p	8	152	+ 2	182	128
Premier Cons.	5p	8	67½	—	69½	13
Racal Electronics	25p	7	239	+ 2	276	168½
RTZ	25p	7	406	− 4	417	226
BAT Inds.	25p	6	262	—	362	230
GEC	25p	6	354	—	456	311
Glaxo	50p	6	477	−13	600	388
Imp. Cont. Gas	£1	6	702	− 8	710	358
Land Secs.	50p	6	287	− 4	323	241
Lonrho	25p	6	102	+ 1	109	62
Westland Aircraft	25p	6	78	− 1	81	31

LONDON TRADED OPTIONS

Option	Ex'rcise price	April Closing offer	April Vol.	July Closing offer	July Vol.	Oct. Closing offer	Oct. Vol.	Equity close
BP	350	36	10	—	—	—	—	363p
BP	375	25	20	—	—	—	—	"
BP	390	—	—	34	14	—	—	"
BP	400	12	81	—	—	—	—	"
Cons. Gold	420	75	13	99	—	118	—	469p
Cons. Gold	460	49	7	75	—	95	—	"
Cons. Gold	500	29	31	55	—	—	—	"
Courtaulds	80	3	2	5½	—	7	1	73p
GEC	360	26	10	43	10	55	—	356p
GEC	390	13	5	29	—	—	—	"
Grand Met.	140	9	3	15	—	21	—	156p
Grand Met.	160	3½	—	8	1	—	—	"
ICI	330	56	2	74	—	—	—	381p
ICI	360	36	51	53	—	64	—	"
ICI	390	17	20	35	—	44	—	"
Land Secs.	300	19	1	27	—	37	—	289p
Marks & Sp.	80	13	9	16½	—	20	—	87p
Marks & Sp.	100	3	10	6½	—	10	—	"
Marks & Sp.	110	2	—	3½	4	—	—	"
Shell	330	62	—	62	2	72	—	356p
Totals			266		31			
		February		May		August		
Imperial Gp.	80	1½	22	3½	—	6	—	77p
Racal Elec.	180	62	—	71	6	76	—	239p
Racal Elec.	200	42	—	54	6	61	—	"
Racal Elec.	220	22	16	39	22	47	—	"
Racal Elec.	240	10	60	27	—	38	—	"
RTZ	300	113	—	128	5	139	—	406p
RTZ	330	83	2	100	—	119	5	"
RTZ	360	53	6	77	—	93	—	"
RTZ	390	28	22	56	1	79	—	"
RTZ	420	14	5	38	99	62	—	"
Totals			133		139		5	

OPTIONS

DEALING DATES

First Dealings	Last Dealings	Last Declaration	For Settlement
Jan. 21	Feb. 1	Apr. 24	May 6
Feb. 4	Feb. 15	May 8	May 19
Feb. 18	Feb. 29	May 9	Jun. 9

For rate indications see end of Share Information Service

Money was given for the call in Debenhams, Premier Oil, BP, Charterhall, Dunlop, Serck, Burmah, Montague L. Meyer, Brown and Jackson, FNFC, Rowntree Mackintosh, Lonrho, Royal Insurance, BSR, Gestetner, RTZ, Siebens (UK), Courtaulds and Town and City. Puts were done in Premier Oil, Paringa and FNFC, while doubles were completed in Debenhams, BP, Stylo, Montague L. Meyer, ICI and Siebens (UK).

RECENT ISSUES

EQUITIES

Issue Price p‡	Amount Paid Up	Latest Renunc. Date	1979/80 High	1979/80 Low	Stock	Closing Price p‡	+ or −	Div. P. or Amount	Times Covered	Gross Yield	P.E. Ratio
§70	F.P.	—	92	82	††Bio-kil Chem. 10p	90	......	t4.9	1.8	7.8	14.3
§63	150	20/2	182	128	B.P. 'New'	152	+2	g13.75	6.8	5.4	6.6
§90	F.P.	11/1	113	101	Conder Intl.	113	......	b7.0	2.9	8.8	4.3
§80	F.P.	7/3	106	98½	Emess Lighting	106	+3	b6.0	3.0	8.1	4.8
¶	F.P.	25/1	146	119	Haynes P'blish'g 20p	145	......	bd6.0	2.1	5.9	9.8
¶	F.P.	11/1	85½	68	Spring Grove 10p	83	−2½	b4.0	1.8	6.9	11.4
‖‖	F.P.	—	£27	£25¼	Wereldhave NVDFL20	£25¼	......	QFL6	1.1	5.3	16.9

FIXED INTEREST STOCKS

Issue Price £	Amount Paid Up	Latest Renunc. Date	1979/80 High	1979/80 Low	Stock	Closing Price £	+ or −
§	F.P.	19/12	95	90½	Amber Day 10½% Cum. Red. Pref. '99-02	95	......
¶¶	F.P.	—	37p	37p	Aurora 3.85% Cum. Pref.	37p	......
¶	F.P.	28/2	98¾	98½	B'mem'th & District W'ter Red. Prf. 1985	98¾	......
¶	F.P.	31/1	99	92½	Bristol Waterworks 8% Red. Pref. 1984	92½	−1¼
‖ 120p	Nil	—	1pm	1pm	Clifford (Chas.) 12% Cum. Pref.	1pm	......
‡	F.P.	22/1	99	90	Dundonian 11¼% Cum. Conv. Pref.	99	......
¶	£10	30/5	10	9½	Felixstowe Dock 9¾% Cum Red Pref.	9½	......
**	F.P.	8/2	87½p	85p	Hewitt (J.) 10% Cum. Pref.	87½p	+1½
¶¶	F.P.	15/2	88¾p	78p	Thorn Elec. 7% Con. Red. 2nd Cum Prf 92-98	88p	+1

"RIGHTS" OFFERS

Issue Price p‡	Am'unt Paid Up	Latest Renunc. Date ●	Latest Renunc. Date ■	1979/80 High	1979/80 Low	Stock	Closing price p‡	+ or −
12½	F.P.	24/1	21/2	23½	14½	Associated British Engineering	21½	−1
40	F.P.	22/1	29/2	69	69	Elson & Robbins	69pm	......
60	F.P.	3/1	24/1	826	560	Hammerson Prop. A	815	−10
A$1	Nil	—	—	45pm	20pm	Hanimex Corp	32pm	......
60cts	Nil	—	—	410pm	180pm	Pancontinental	375pm	......
25	Nil	—	—	33pm	32pm	Paringa	32pm	......
34	F.P.	11/1	1/2	49½	44	Wearwell	45½	−½

Renunciation date usually last day for dealing free of stamp duty. *b* Figures based on prospectus estimate. *g* Assumed dividend and yield. *a* Forecast dividend: cover based on previous year's earnings. F Dividend and yield based on prospectus or other official estimates for 1979. Q Gross. T Figures assumed. ‡ Cover allows for conversion of shares not now ranking for dividend or ranking only for restricted dividends. § Placing price to public. p‡ Pence unless otherwise indicated. ¶ Issued by tender. ‖ Offered to holders of ordinary shares as a "rights." ** Issued by way of capitalisation. §§ Reintroduced. ¶¶ Issued in connection with reorganisation, merger or takeover. ‖‖ Introduction. □ Issued to former preference holders. ■ Allotment letters (or fully-paid). ● Provisional or partly-paid allotment letters. ★ With warrants. †† Unlisted security. ‡‡ Issued as units comprising 2 income shares and 10 Capital shares at 125p per unit. † Dealings under special rule.

UNIT TRUST SERVICE

OFFSHORE & OVERSEAS—contd.

Lloyds Bk. (C.I.) U/T Mgrs.
P.O. Box 195, St. Helier, Jersey. 0534 27561
Lloyds Tst. O'seas 59.1 62.3 +2.1 1.83
Next dealing February 7.
Lloyds Trust Gilt £9.39 9.40xd — 12.75
Next dealing February 6.

Lloyds Bank International, Geneva
P.O. Box 438, 1211 Geneve 11 (Switzerland)
Lloyds Int. Growth SF441.50 473.00 — 0.7
Lloyds Int. Income SF268.00 279.50 — 6.40

M & G Group
Three Quays, Tower Hill EC3R 6BQ. 01-626 4588
Atlantic Jan. 29 US$5.80 5.98 — —
Australian Ex. Jan. 30 US$6.05 6.37 — —
Gold Ex.Acc. US$48.62 52.85 +4.39 —
Island 141.4 150.5 +1.4 3.57
(Accum Units) 210.3 223.8 +2.0 3.57

Midland Bank Tst. Corp. (Jersey) Ltd.
28-34, Hill St., St. Helier, Jersey. 0534 36281
Midland Drayton Gilt 97.7 98.4 — 12.00

Samuel Montagu Ldn. Agents
114, Old Broad St., EC2. 01-588 6464
Apollo Fd. Jan. 22 SF49.05 53.25 — 3.31
Japfest. Jan. 15 HK$15.41 16.69 — 0.45
117 Group Dec. 31 US$12.67 13.63 — 3.04
117 Jersey Jan. 9 £5.68 6.17xd — 1.02
117 Jersey O's Jan. 16 £6.17 6.50 — 3.78

Murray, Johnstone (Inv. Adviser)
163, Hope St., Glasgow, C2. 041-221 5521
*Hope St. Fd. US$33.40 — —
*Murray Fund US$15.37 — —
*NAV Jan. 15.

Nat. Westminster Jersey Fd. Mgrs. Ltd.
45 La Motte St., St. Helier, Jersey 0534 36241
High Income Fund 45.6 47.0 −1.0 12.77
Equity Fund 49.0 51.0 −1.0 3.92

Negit S.A.
10a Boulevard Royal, Luxembourg
NAV Jan. 25 US$12.87 — — —

Negit Ltd.
Bank of Bermuda Bldgs., Hamilton, Brmda.
NAV Oct. 19 £4.35 — —

Pacific Basin Fund
10a Boulevard Royal, Luxembourg.
NAV Jan. 31 US$14.08 +0.01 —

Phoenix International
PO Box 77, St. Peter Port, Guern. 0481 26741
Inter Dollar Fund US$2.70 2.91 +0.05 —
Far East Fund US$1.89 2.04 +0.01 —
Intl. Currency Fund US$1.51 1.63 — —
Dollar Fxd. Int. Fund US$1.77 1.91 — —
Ster. Exempt Gilt Fd. £1.31 1.43 — —

Providence Capitol Life Ass. (C.I.)
PO Box 121, St Peter Port, Guernsey 0481 26726/9
Sterling Bond Fd. 45.6 48.0 — —
Sterling Equity Fd. 55.6 58.3 — —
Intnl. Bond Fd. US$95.0 100.0 — —
Intnl. Equity Fd. US$96.0 101.0 — —
Prices at Jan. 30. Next dealing Feb. 6.

Quest Fund Mngmnt. (Jersey) Ltd.
PO Box 194, St. Helier, Jersey. 0534 27441
Quest Stlg. Fxd. Int. 77.4 82.0xd — 15.24
Quest Intl. Secs. $0.974 1.048xd — 4.10
Quest Intl. Bd. $0.841 0.891xd — 10.66
Prices on Jan. 30. Next dealing Feb. 6.

Richmond Life Ass. Ltd.
48, Athol Street, Douglas, I.O.M. 0624 23914
(x)The Silver Trust 566.5 580.0 −30.0 —
Do. Diamond Bd. 133.6 140.7 — —
Do. Em Income Bd. 135.1 142.3 −0.2 13.63
Midway Deposit Bd. 107.26 108.35 +0.34 17.16
Carrillon C.G.T. Bd. 60.3 63.6 — —

Rothschild Asset Management (C.I.)
P.O. Box 58, St. Julians Ct., Guernsey. 0481 26331
O.C. America Fd.† US$1.72 1.82xd — 0.96
OCSm. Co.*** 93.3 99.2 +5.2 2.95
O.C. Commodity* 197.3 209.8 — 5.41
O.C. Dir.Comdy.† US$50.89 54.13 — 0.59
O.C. Sterling Fd.** £11.241 +0.005 —
*Prices on Jan. 14. Next dealing Jan. 31.
†Prices on Jan. 21. Next dealing Feb. 7.
**Daily dealings. ***Feb. 15.

Rothschild Asset Mgt. (Bermuda)
P.O. Box 664, Bk. of Bermuda Bld., Bermuda
Reserve Assets Fd. US$9.68 9.89 +0.01 —
Prices on Jan. 28. Next dealing Feb. 6.

Royal Trust (C.I.) Fd. Mgt. Ltd.
P.O. Box 194, Royal Tst. Hse., Jersey. 0534 27441
R.T. Int'l. Fd. US$10.96 11.67 — 2.23
R.T. Int'l. (Jsy.) Fd. 83.0 89.0 — 3.56
Prices Jan. 29. Next dealing Feb. 5.

Save & Prosper International
Dealing to
P.O. Box 73, St. Helier, Jersey 0534 73933
Funds denominated in U.S. Dollars
Dlr. Fxd. Int.**‡ 8.08 8.56 −0.1 8.41
Internat. Gr.*‡ 9.65 10.44 — —
Far Eastern*‡ 11.01 11.91 +0.22 —
North American*‡ 5.41 5.86 — —
Sepro**‡ US$17.32 18.95 — —
Funds denominated in Sterling
Channel Capital*‡ 72.7 76.6xd +0.7 2.51
Channel Islands*‡ 74.2xd 78.2xd −0.3 6.04
Commod.****‡ 212.4 223.7 — —
St. Deposit***★ 115.0 115.1 — 0.22
St. Fixed***‡ 105.9 112.1 — 12.49
Funds denominated in other Currencies
Deutschmark Bd.**‡ 9.44 9.99 — 5.00
Yen Bd.**‡ 940.0 991.0 — 5.05
*Prices on Jan. 29. **Jan. 23. ***Jan. 25.
****Jan. 24. ‡Weekly dealings. ★Daily dealings.

Schlesinger International Mngt. Ltd.
41, La Motte St., St. Helier, Jersey. 0534 73588
S.A.I.L. 61.0 64.0xd — 11.33
S.A.O.L. $0.90 0.95 — 7.89
Gilt Fd. 20.3 20.5 −0.1 13.41
Intl. Fd. Jersey 106.0 111.0 — 3.15
Intnl. Fd. Lxmbrg. $14.79 15.57 +0.09 —
*Far East Fund 97.0 102.0 — —
*Next sub. day Feb. 6.

Schroder Life Group
Enterprise House, Portsmouth. 0705 27733
International Funds
£Equity 83.8 89.1 +3.1 —
$Equity US$1.757 1.869 +0.054 —
£Fixed Interest 151.0 160.6 −2.9 —
$Fixed Interest US$1.144 1.217 +0.008 —
£Managed 116.2 123.6 +1.2 —
$Managed US$1.447 1.539 +0.028 —

J. Henry Schroder Wagg & Co. Ltd.
120, Cheapside, EC2. 01-588 4000
Amer. Inv. Tst. Jan. 23 US$16.42 — 2.13
Asian Fd. Jan. 7 US$21.32 21.91 — 2.74
Cheapside $ Jan. 30 US$16.65 +0.28 1.92
Darling Fd. Dec. 28 A$2.75 2.92 — 4.40
Japan Fd. Jan. 24 US$6.77 7.25 — 0.69
Trafalgar Fd. Dec. 31 US$190.91 — —

Sentry Assurance International Ltd.
P.O. Box 1776, Hamilton 5, Bermuda.
Managed Fund US$3.8183 4.2001 — —

Singer & Friedlander Ldn. Agents.
20, Cannon St., EC4. 01-248 9646
Dekafonds DM23.48 24.72 — 6.47
Tokyo Trust Dec. 28 US$32.0 — — 2.50

Standard Chartered Intl. Bd. Fd.
37 rue Notre-Dame, Luxembourg.
NAV Jan. 28 US$10.03 — —

Stronghold Management Limited
P.O. Box 315, St. Helier, Jersey. 0534 71460
Commodity Trust 114.05 120.05 — —

Surinvest (Jersey) Ltd. (x)
Queens Hse., Don Rd., St. Helier, Jsy. 0534 27349
American Ind. Tst. £5.10 5.21 +0.03 —
Copper Trust £20.43 20.92 −0.53 —
Jap. Index Tst. £6.43 6.57 −0.03 —

Surinvest Trust Managers Ltd.
48, Athol Street, Douglas, Isle of Man. 0624 23914
The Coin Trust 99.6 104.8 — —

TSB Unit Trust Managers (C.I.) Ltd.
10, Wharf St., St. Helier, Jersey (CI). 0534 73494
TSB Jersey Fund 50.7 52.8xd — 4.55
TSB Guernsey Fund 50.7 52.8xd — 4.55
Prices on Jan. 30. Next sub. day Feb. 5.

TSB Gilt Fund Managers (C.I.) Ltd.
10 Wharf St., St. Helier, Jersey (CI). 0534 734
TSB Gilt Fund 92.0 95.0xd — 12.
TSBGiltFd.(Jsy.) 92.0 95.0 — 12.
Prices on January 30. Next sub. day February 6

Tokyo Pacific Holdings N.V.
Intimis Management Co. N.V., Curacao.
NAV per share January 28 US$70.24

Tokyo Pacific Hldgs. (Seaboard) N.V.
Intimis Management Co. N.V., Curacao.
NAV per share January 28 US$51.17

Tyndall Group
P.O. Box 1256 Hamilton 5, Bermuda. 2-2760
Overseas Jan. 30 US$1.35 1.43xd — 6.
(Accum. Units) US$2.32 2.45 +0.05 —
Man. Int. Jan. 24 US$3.26 3.43 — —
2 New St., St. Helier, Jersey. 0534 3733
TOFSL Jan. 31 £8.45 9.05xd +0.30 2.
(Accum. Shares) £14.05 15.10 +0.55 —
American Jan. 31 102.2 109.6 +5.0 2.
(Accum. shares) 106.8 114.8 +5.4 —
Far Eastern Jan. 31 96.6 103.8 +3.6 1.
(Accum. shares) 99.6 107.0 +3.6 —
European Jan. 31 72.0 77.4 +0.6 2.
(Accum. Shares) 73.8 79.4 +0.6 —
Jersey Fd. Jan. 30 159.0 168.6 −0.2 9.
(Non J. Acc. Uts.) 254.8 270.2 −0.6 —
Gilt Fund Jan. 30 99.0 101.0 −1.6 12
(Accum. Shares) 151.8 154.6 −2.6 —
Victory House, Douglas, Isle of Man. 0624 241
Managed Jan. 28 145.2 153.0 — —
High Inc. Gilt Jan. 30 105.0 107.0 — 13.
(Accum Shares) 105.0 107.0 — —

Unilife Assurance (Overseas) Ltd.
P.O. Box 1388, Hamilton 5-31, Bermuda
Internl. Mngd. Fd. US$1.11 — −0.01 —

Union-Investment-Gesellschaft mbH
Postfach 16767, D 6000 Frankfurt 16.
Unifonds DM15.56 16.40 +0.20 —
Unirak DM48.32 50.75 — —
Unirenta DM35.47 36.60 — —

Utd. Intnl. Mngmnt. (C.I.) Ltd.
14, Mulcaster Street, St. Helier, Jersey
U.I.B. Fund US$98.68 102.01 — 8

van Cutsem & Associates Ltd.
42, Essex Street, London, WC2 01-353 6
PanAmer. O's. Fd. US$99.43 — —

S. G. Warburg & Co. Ltd.
30, Gresham Street, EC2. 01-600 45
Conv. Bd. Jan. 30 US$9.71 — —
Eng. Int. Jan. 30 US$35.67 +0.65 —
Gr. St. $Fd. Dec. 31 US$8.10 — —
Merc. Eurobd. Jan. 30 US$10.58 10.69 — 8.3
Merc. Mny. Mkt. Jan. 28 11.63 11.65 — —

Warburg Invest. Mngt. Jrsy. Ltd.
1 Library Place, St. Helier, Jsy. CI 0534 37
CMF Ltd. Dec. 27 US$15.01 15.39 — 2.
CMT Ltd. Dec. 27 £14.23 14.59 — 2.
Metal Tst. Jan. 17 £15.19 15.56xd — 30.
SMT Ltd. Jan. 3 £9.98 10.24 — —
TMT Jan. 10 US$13.09 13.43 — 2.
TMT Ltd. Jan. 10 £11.86 12.16 — 2.

Wardley Investment Services Ltd.
4th Floor, Hutchison House, Hong Kong
Wardley Trust HK$20.10 20.60 — —
Wardley Nikko As. Fd. US$30.50 31.10 — —
Wardley Bond Trust US$9.50 9.70 — —
Wardley Japan Trust US$10.64 10.94 — —

World Wide Growth Management
10a, Boulevard Royal, Luxembourg
Worldwide Gth. Fd. US$26.78 +0.15 —

Wren Commodity Trust
10, St. George's St., Douglas IoM 0624 25
Wren Commod. Tst. 58.6 59.0xf — —

هكذا من الاصل

FT UNIT TRUST INFORMATION SERVICE

AUTHORISED UNIT TRUSTS

Abbey Unit Tst. Mngrs. (a)
72-80, Gatehouse Rd., Aylesbury 0296 5941
Abbey Amer. Gilt Tst. 49.1 52.0 +0.3 1.92
Abbey Capital 35.7 38.5 -0.1 [illegible]
Abbey General [illegible] 40.7 -0.9 [illegible]
Abbey Gilt & F.I. Fd. 101.1 107.5 -1.2 [illegible]
Abbey Income [illegible] 44.4 -0.3 [illegible]
Abbey Intl. Bd. Tst. [illegible] 98.7 [illegible] [illegible]
Abbey Inv. Tst. Fnd. [illegible] [illegible] +0.2 [illegible]
Equitas Prog. Trust 69.3 74.9 -1.1 5.76

Allen Harvey & Ross Unit Tst. Mngrs.
45, Cornhill, London EC3V 3PB. 01 623 6314
AHR Gilt & Pref. 91.7 96.4 +0.4 13.00

Allied Hambro Group (a)(g)
Hambro Hse., Hutton, Brentwood, Essex.
01-588 2851 or Brentwood (0277) 211459
Balanced Funds
Allied 1st 76.1 81.4 -1.0 5.80
Brit. Inds. Fund 66.8 71.6 -0.9 6.11
Growth & Income 40.6 43.6 -0.7 5.45
Elect. & Ind. Dev. 37.2 39.9 -0.5 5.22
Allied Capital 76.8 82.3 -1.0 5.41
Hambro Fund 116.3 124.4 -1.6 5.91
Hambro Acc. Fund 142.5 152.5 -2.3 5.48
Income Funds
High Yield Fd. 70.2 75.3 -0.3 9.59
High Income [illegible] 71.8 -0.5 [illegible]
A. H. Eq. Inc. 40.1 42.9 -0.3 8.34
International Funds
International 29.1 31.1 +0.2 2.58
Pacific Fund 45.1 48.3 +0.3 1.89
Secs. Of America 61.2 65.5 +0.5 2.14
Specialist Funds
Smaller Co.'s Fd. 47.3 50.6 -0.1 4.64
2nd Smlr. Co's Fd. 56.6 60.6 [illegible] 4.46
Recovery Sits. 113.7 121.7 +0.3 6.37
Met. Min. & C'dty. 57.3 61.3 -0.5 4.81
Overseas Earnings 57.8 61.8 -1.0 5.59
Exempt Funds
Far East Exempt 53.6 55.5 +0.4 3.19
Smaller Co. Exempt 73.4 77.1 [illegible] 5.06
U.S.A. Exempt 108.9 113.2 +1.2 3.09

Anderson Unit Trust Managers Ltd.
158, Fenchurch St., EC3M 6AA. 623 9231
Anderson U.T. 55.9 60.2 5.68

Ansbacher Unit Mgmt. Co. Ltd.
1, Noble St., EC2V 7JA. 01 623 6376
Inc. Monthly Fund 142.0 150.0 12.72

Arbuthnot Securities Ltd. (a)(c)
37, Queen St., London, EC4R 1BY. 01 236 5281
High Yield [illegible] 46.7 11.60
(Accum. Units) [illegible] 74.9 11.60
Extra Income Fd. 97.3 105.4 11.00
(Accum. Units) [illegible] 114.5 11.00
High Inc. Fund 36.2 39.4 -1.9 11.30
(Accum. Units) [illegible] 61.0 +0.2 11.30
(10% W'drwl. Uts.) [illegible] 52.3 -1.9 11.30
Preference Fund [illegible] 25.6 -0.5 14.10
(Accum. Units) [illegible] 42.0 -1.1 14.10
Capital Fund [illegible] [illegible] [illegible] [illegible]
Commodity Fund [illegible] 91.9 +6.8 3.05
(Accum. Units) 126.6 139.2 +10.5 3.05
(10% W'drwl. U.) [illegible] 73.4 +5.4 3.05
Fin. & Prop. Fd. 20.9 22.8 +1.1 4.30
Giants Fund [illegible] 40.2 -0.5 4.32
(Accum. Units) [illegible] 50.4 -0.5 4.32
Growth Fund [illegible] 37.4 -0.4 3.05

Discretionary Unit Fund Managers
22 Blomfield St., EC2M 7AL. 01 638 4485
Dis. Inc. Jan. 25 200.8 214.1 5.54

E. F. Winchester Fund Mngt. Ltd.
44, Bloomsbury Square, WC1A 2RA 01 623 8893
Great Winchester 16.8 18.6 6.24
Gt. Winchester O'seas 19.6 21.8 2.52

Emson & Dudley Tst. Mngmt. Ltd.
20, Albemarle St., W1. 01 493 3211
Emson Dudley Tst. 69.6 74.4 6.00

Equity & Law Un. Tr. M.♥ (a)(b)(c)
Amersham Rd., High Wycombe. 0494 33377
Equity & Law 75.1 79.0 -1.1 5.07

Fidelity International Management Ltd.
62 63, Queen St., London, EC4R 1AD. 01 248 4891
American 27.4 28.9 +0.4 1.0
Fixed Interest 25.2 26.6 -0.1 12.4
Growth & Income 28.5 30.0 -0.2 7.80
Special Sits. 28.6 30.2 -0.2 3.00

James Finlay Unit Trust Mngt. Ltd.
10 14, West Nile Street, Glasgow. 041 204 1321
J. Finlay Internat'l 28.1 30.3 2.30
Accum. Units 34.1 36.8 2.30
J. Finlay High Income 33.5 36.2 9.40
J. Finlay Euro-Fin. 23.6 25.5 3.30
Accum. Units 29.1 31.5 3.30
J. Finlay Fd. In. Tst. 31.9 34.5 5.00
Accum. Units 38.5 41.6 5.00
Prices on January 30. Next dealing February 6.

Framlington Unit Mgt. Ltd. (a)
64, London Wall, EC2M 5NQ 01 628 5181
American 54.0 57.4 1.27
American Turnaround 53.3 56.4 2.00
Capital Tst. 52.4 55.6 4.86
(Accum. Units) 52.4 55.6 4.86
Income Tst. 37.0 39.2 -0.2 8.41
Int. Growth Fd. 44.6 47.4 2.12
(Accum. Units) 47.8 50.0 2.12

Friends' Provdt. Unit Tr. Mgrs.♥
Pixham End, Dorking. 0306 5055
Friends Prov. Units 49.1 52.5 -0.4 4.85
Do. Accum. 67.7 72.3 -0.6 4.85

Funds in Court*
Public Trustee, Kingsway, WC2. 01 405 4300
Capital Jan. 17 111.0 113.7 5.10
Gross Inc. Jan. 17 72.9 75.2 11.03
High Yield Jan. 17 85.3 88.2 10.24
*Unauth. Restricted to monies under Court control.

G.T. Unit Managers Ltd.♥
16 Finsbury Circus, EC2M 7DD 01 628 8131
G.T. Cap. Income 117.2 124.6 +0.9 3.20
Do. Acc. 147.3 156.6 +3.3 3.20
G.T. Inc. Fd. Un. 175.2 186.3 8.10
G.T. U.S. & Gen. 155.3 165.2 2.00
G.T. Wld. Bd. Fd. 96.2 102.0 5.30
G.T. Japan & Gen. 72.7 76.9 2.80
♦Gt. Pens. Ex. Fd. 251.5 264.0 +1.8 2.70
G.T. Int'l Fund 179.4 190.8 1.90
G.T. Four Yds. Fd. 49.5 52.6 8.40
G.T. Far East & Gen. 54.6 58.7 2.80

G. & A. Trust (a) (g)
5 Rayleigh Road, Brentwood. (0277) 227300
G. & A. 36.5 39.0 -0.6 5.33

Gartmore Fund Managers♥ (a)(g)
2 St. Mary Axe, EC3A 8BP 01 623 6114
Dealing only: 01 623 5766/5806
American Trust 29.7 32.3 +1.0 0.81
British Tst. (Acc.) 61.1 65.6 -0.5 4.47
Commodity Share 40.9 44.0 +0.5 3.08
Extra Income Tst. 22.4 24.7 9.50
Far East Trust 35.5 38.1 -0.3 2.85
High Income Tst. 55.2 59.4 -2.5 10.26
Income Fund 74.4 80.0 -3.0 7.35
Ins. Agencies 14.79 15.79 -0.18 4.57
Intl. Exempt Fd. 96.6 103.0 -0.8 7.05
Intl. Tst. (Acc.) 34.8 37.4 +0.3 1.19

INSURANCE PROPERTY BONDS

City of Westminster Assurance
Ringstead House, 6, Whitehorse Road, Croydon CR0 2JA. 01-684 9664
Series 2 [illegible]
West Prop. Fund 81.2 85.5 +3.9 78.1
Managed Fund 200.1 210.7 -3.9 196.3
Equity Fund 62.7 66.0 -0.1 61.6
Farmland Fund 92.3 97.2 -0.1 88.9
Mone. Fund 138.6 145.9 -1.7 138.6
Gilt Fund 73.1 77.0 -1.3 73.1
Black Gold Fd 97.2 102.3 -5.4 —
PULA Fund 191.2 195.9 -1.3 141.2
Sec. Prop. Units 70.0 73.5 [illegible] 70.0
Pens. Mngd. Cap. 139.5 +5.7 144.1
Pens. Mngd. Acc. 155.9 +6.9 155.9
Pens. Money Cap. 51.8 -0.4 53.5
Pens. Money Acc. 57.9 -0.6 57.9
Pens. Equity Cap. 51.7 +0.1 52.7
Pens. Equity Acc. 57.8 -0.3 57.0
Pens. Gilt Short Cap. 45.5 [illegible] 46.9
Pens. Gilt Short Acc. 50.7 +1.0 50.7
Pens. Gilt Med. Cap. 47.1 +2.3 48.6
Pens. Gilt Med. Acc. 52.4 +2.5 52.4
Pens. Gilt Long Cap. 46.3 +2.0 47.8
Pens. Gilt Long Acc. 51.6 +2.2 51.6
NFSE Cap. 100.8 +0.8 —
NFSE Acc. 112.6 +1.2 —
Fund currently closed to new investment.
Perform Units 242.6 +5.9 —
Series (2) Prices are for policies issued after 1.1.1980.
Series (1) These are bid prices for earlier policies.

Commercial Union Group
St. Helen's, 1, Undershaft, EC3. 01-283 7500
Vr. An. Ac. Jan. 26 67.03 —
Do. Annuity Uts. 22.25 +0.09 —

Confederation Life Insurance Co.
50, Chancery Lane, WC2A 1HE. 01-242 0282
♥Equity Fund 204.8 215.5 —
♥Managed Fund 222.2 233.8 —
♥PIP Fund 466.6 —
Psnal. Pen. Mngd. 90.6 95.3 —
Staffguard Man. Pen. 90.6 95.3 —
Group Mngd. Pen. 233.8 237.8 —
Fixed Int. Pen. [illegible] 325.2 —
Equity Pension 294.8 304.9 —
Property Pension 219.5 224.2 —

Cornhill Insurance Co. Ltd.
32, Cornhill, E.C.3. 01-626 5410
Cap. Jan. 15 129.5 —
SS Spec. Jan. 15 53.0 —
Man. Grwt. Jan. 20 194.5 205.0 —

Credit & Commerce Insurance
120, Regent St., London W1R 5FE. 01-439 7081
C&C Mngd. Fd. 132.0 142.0 —

Crown Life Co. Ltd.♥
Crown Life Co. Ltd., Crown House, Woking GU21 1XW 04862 5033.
Disc. Fd. Incm. 106.9 [illegible] -1.0 11.38
Mang'd Fd. Acc. [illegible] [illegible] -1.1 11.38
Mang'd Fd. Inc. 113.0 [illegible] -1.1 —
Mang'd Fd. Incm. 111.2 [illegible] -1.0 10.61
Property Fd. Acc. 104.6 110.3 +0.1
Property Fd. Inc. 99.5 104.7 —
Property Fd. Incm. 97.5 102.6 18.23
Fixed Int. Fd. Acc. 113.9 119.8 -0.6 —
Fixed Int. Fd. Incm. 104.5 119.9 -0.6 15.31
Equity Fd. Acc. 121.5 127.7 -1.8 —
Equity Fd. Inc. 115.8 121.8 -1.5 —
Equity Fd. Incm. 114.7 120.7 -1.5 5.75
Inv. Tst. Fd. Acc. 116.6 122.7 +0.4 —
Inv. Tst. Fd. Inc. 110.9 116.7 -0.4 —
Inv. Tst. Fd. Incm. 109.1 114.2 +0.4 8.36
Money Fd. Acc. 106.5 112.1 —
Money Fd. Incm. 96.8 101.8 18.76
Inter'l. Fd. Acc. 109.0 114.7 —
Inter'l. Fd. Incm. 105.5 111.0 -0.1 10.08
Invest Fd. Acc. 104.0 109.4 —
Crown Brt. Inv. 'A' 171.0 — —
Pens. Mixed Fd. 96.5 100.0 —

Crusader Insurance Co. Ltd.

Lloyds Life Assurance
20, Clifton St., EC2A 4MX 01-247 7699
Multi Gwth. Dec. 31 1,456.0 —
Op. 5 'A' Prop. Jan. 31 [illegible] 178.0 -0.1 —
Op. 5 'A' Equity Jan. 31 [illegible] 192.3 +4.0 —
Op. 5 'A' Hy. Jan. 31 159.3 [illegible] -2.0 —
Op. 5 'A' Man. Jan. 31 [illegible] 181.3 +2.4 —
Op. 5 'A' Dec. Jan. 31 135.5 142.6 +1.3 —
Pens. Pr. Ac. Jan. 31 [illegible] 267.2 +0.4 —
Pens. Pr. Cap. Jan. 31 [illegible] 189.9 —
Pens. Eq. Ac. Jan. 31 362.5 382.9 -1.3 —
Pens. Eq. Cap. Jan. 31 [illegible] 336.8 [illegible] —
Pens. Fxd. Ac. Jan. 31 [illegible] 215.8 +0.5 —
Pens. Fxd. Jan. 31 190.2 169.7 -0.1 —
Pens. Mng. Ac. Jan. 31 [illegible] 268.2 +7.4 —
Pens. Mg. Cap. Jan. 31 223.8 235.0 +5.9 —
Pens. Dep. Ac. Jan. 31 170.4 179.5 +1.3 —
Pens. Dep. Cap. Jan. 31 149.3 157.7 +0.8 —

London A'deen & Nthn. Mtl. Assur. Ltd.
129 Kingsway, London WC2B 6NF. 01-404 0393
*Asset Builder 48.1 50.6 —

London Indemnity & Gnl. Ins. Co. Ltd
18-20, The Forbury, Reading 583511.
Money Manager 38.3 41.1 +0.6 —
M.M. Flexible 34.5 36.3 +0.6 —
Fixed Interest 36.0 38.0 —

London Life Linked Assur. Ltd.
81 King William St., EC4N 7BD. 01-626 0511
Equity 96.9 99.8 +1.9 —
Fixed Interest 94.0 98.8 -1.6 —
Property 107.5 109.1 +0.3 —
Deposit 126.3 106.3 +0.2 —
Mixed 96.0 97.7 +1.9 —

The London & Manchester Ass. Gp.♥
Winslade Park, Exeter. 0392 52155
Cap. Growth Fund 244.3 —
♦Flex. Exempt Fd. 145.7 —
♦Exempt Prop. Fd. 118.0 —
♦Exempt Inv. Tst. Fd. 183.3 —
Flexible Fund 119.7 —
Inv. Trust Fund 133.2 —
Property Fund 95.8 —
Gtd. Deposit Fd. 110.6 —
Fixed Interest Fd. 94.2 —

M & G Group♥
Three Quays, Tower Hill EC3R 6BQ. 01-626 4588.
American Fd. Bond* [illegible] 58.2 —
Convert. Deposit* [illegible] 139.0 —
Equity Bd. (Acc.)** 164.3 172.7 +5.0 —
Extra Yield Fd. Bd.* [illegible] 94.0 —
Family 1980** [illegible] — —
Family 1981** [illegible] [illegible] —
Family 82-86** [illegible] +5.6 —
Gilt Bond*** [illegible] [illegible] —
High Yield Bond** [illegible] 99.8 —
Internat'l. Bond** 120.3 126.6 [illegible] —
Japan Fd. Bond* 45.0 [illegible] —
Managed Bond*** 162.2 170.4 —
Persnl. Pension*** [illegible] —
Property Bond** 190.2 199.8 —
Recovery Fd. Bond* 89.0 95.5 —
Prices on *Jan. 30, **Jan. 31, ***Jan. 25.
Flexible Pension Fund prices on Jan. 29.
Managed (Cap.) 105.4 110.8 —
Do. (Accum.) 110.5 115.8 —
Equity (Cap.) 100.3 106.0 —
Do. (Accum.) 103.6 108.9 —
Property (Cap.) 101.0 106.3 -0.1
Do. (Accum.) 103.7 109.0 —
Fixed Interest (Cap.) 113.2 119.0 —
Do. (Accum.) [illegible] 122.3 —
Deposit (Cap.) 97.8 102.8 —
Do. (Accum.) 100.5 105.6 —
American (Cap.) 90.1 95.2 —
Do. (Accum.) [illegible] [illegible] —
Pacific (Cap.) 136.4 145.5 —
Do. (Accum.) 142.2 149.4 —

NOTES

OFFSHORE & OVERSEAS FUNDS

Continued on previous page

FT SHARE INFORMATION SERVICE

BRITISH FUNDS

"Shorts" (Lives up to Five Years)

1979-80 High	Low	Stock	Price £	+ or −	Yield Int.	Red.
99¾	95⅞	Treasury 9pc 1980‡‡	99⅞xd	+⅛	9.04	15.43
99¼	95⅝	Treasury 9½pc '80‡‡	98⅛	.....	9.69	16.40
97	92⅝	Treasury 3½pc '77-80	96⅜	−⅛	3.63	13.72
97⅞	92⅞	Funding 5¼pc '78-80‡‡	96⅝	−⅛	5.43	14.75
103⅞	97½	Exchequer 13pc 1980‡‡	98½	−⅛	13.19	14.83
102⅛	95⅞	Treasury 11½pc 1981‡‡	97⅛	−⅛	11.82	14.62
93⅞	88⅞	Treasury 3½pc 1979-81	92⅝xd	−⅛	3.79	11.77
99⅞	92⅝	Treasury 9¾pc 1981‡‡	94⅛	−¼	10.35	15.34
96¼	89½	Exch. 8¾pc 1981	92⅞	−⅛	8.95	14.76
98⅞	91¼	Exch. 9¾pc 1981	93¾xd	−⅛	10.20	14.77
91¼	84¼	Exch. 3pc 1981	88¼xd	−⅛	3.39	11.49
98⅞	94⅞	Treas. Variable '81‡‡	97	.....	16.75	18.19
104⅞	95⅞	Exch. 12¾pc 1981‡‡	96⅞	−⅛	13.22	15.02
96¼	87¼	Treas. 8½pc '80-82‡‡	89⅞	−¼	9.47	14.68
89½	82	Treasury 3pc '82‡‡	85½xd	.....	3.51	11.14
108⅝	97⅛	Treasury 14pc '82‡‡	98	−½	14.28	15.09
97¼	92⅞	Treas. Variable '82‡‡	95⅛	−⅛	17.08	18.81
95¼	85¼	Treasury 8¼pc '82	87⅞	−⅛	9.41	14.46
97⅞	85½	Exch. 9¼pc 1982	88	−⅛	10.51	14.86
95⅞	84⅞	Exch. 8¾pc 1983	86⅞	−⅛	10.07	14.38
86⅛	76¼	Exch 3pc '83	78¼xd	−⅛	3.83	11.67
104⅝	90⅞	Treasury 12pc 1983‡‡	92¼	−⅛	13.00	15.17
95	90⅛	Treas. Variable '83 ‡‡	92⅞	−⅛	17.63	19.50
97¼	82½	Treasury 9½pc '83	86	−⅛	10.75	14.54
60⅛	59	Exch. 13pc '83 £60pd	59	−⅛	14.09	14.98
98⅞	83½	Exch. 10pc 1983	86	−⅛	11.62	14.86
89⅞	76	Funding 5½pc '82-84‡‡	78⅞	−¼	7.00	12.55
97⅞	86⅞	Exch. 11¼pc 1984	89xd	−⅛	12.64	14.97
98⅞	96½	Exchequer 14pc 1984	96⅝	−⅛	14.48	15.08
77¼	69	Exch. 3pc 1984	69⅞	−⅛	4.38	12.14
101¼	87¼	Treasury 12pc 1984	90	−⅛	13.33	15.02

Five to Fifteen Years

1979-80 High	Low	Stock	Price £	+ or −	Yield Int.	Red.
103⅞	98⅛	Treasury 15pc 1985	99⅛xd	−½	14.92	14.87
110	87½	Exch. 12¼pc 1985	93¼	−⅛	13.48	14.60
95	77¼	Treasury 8½pc '84-86‡‡	81½	−⅛	10.49	12.94
112⅛	91	Exch. 13¼pc 1987	94⅞	−⅛	14.01	14.51
84⅞	70⅞	Funding 6½pc '85-87‡‡	74⅛	−⅛	8.95	12.31
88⅞	72⅞	Treasury 7¾pc '85-88‡‡	74⅞	−⅛	10.43	13.03
70⅞	54¾	Transport 3pc '78-88	57¼	−⅛	5.21	10.82
95⅞	82¼	Treasury 11½pc 1989	85½xd	−½	13.40	14.36
73	58⅞	Treasury 5pc '86-89	62½	−⅛	8.19	11.86
113⅞	87⅞	Treasury 13pc 1990‡‡	94⅛	−½	13.90	14.22
89¼	68⅞	Treasury 8¼pc '87-90‡‡	73¼	−½	11.43	13.25
106⅛	80½	Treasury 11¾pc 1991	86¼	−⅛	13.65	14.30
72½	58⅞	Funding 5¾pc '87-91‡‡	62⅞	−⅛	9.46	12.29
98⅞	77½	Exch. 11pc 1991	84⅞	−⅛	13.45	14.21
111⅞	87⅞	Treasury 12¾pc '92‡‡	91⅜	−⅛	13.94	14.26
94⅛	74¼	Treasury 10pc 1992	76⅝xd	−½	12.95	13.97
107⅞	85¾	Exch. 12¼pc '92	87½xd	−½	13.87	14.29
110½	83¾	Treasury 12½pc '93‡‡	90	−⅛	13.98	14.30
69⅞	54⅞	Funding 6pc 1993‡‡	68¼	−⅛	10.35	12.49
119¾	90¼	Treasury 13¾pc 1993‡‡	98⅞	−½	14.28	14.36
121¾	98	Treasury 14½pc '94‡‡	99⅛xd	−⅛	14.37	14.37
109	86½	Exch. 12½pc 1994	88¼xd	−⅛	13.97	14.24
88¼	68	Treasury 9pc '94‡‡	74⅛	−⅛	12.45	13.33

Over Fifteen Years

1979-80 High	Low	Stock	Price £	+ or −	Yield Int.	Red.
106⅞	82	Treasury 12pc '95	86⅞	−½	13.84	14.17
51⅛	42	Gas 3pc '90/95	46⅝	−¼	6.54	9.98
95⅛	73⅞	Exch. 10¼pc 1995	77⅞	−½	13.34	13.94
112½	85¾	Treasury 12¾pc '95‡‡	94	−½	13.93	14.08
85⅞	68⅞	Treasury 9pc '92/96‡‡	74¼	−⅛	12.61	13.37
124⅞	99¼	Treasury 15¼pc '96‡‡	108⅞	−½	14.50	14.41
116¼	89	Exchequer 13¼pc '96‡‡	96⅞	−½	14.08	14.18
50⅛	41¾	Redemption 3pc 1986-96	45⅝	−¼	6.72	9.81
115⅞	89	Treasury 13¼pc '97‡‡	94½	−½	14.07	14.16
95⅞	75	Exchequer 10½pc 1997	77½xd	−½	13.44	13.89
83⅞	66	Treasury 8¾pc 1997‡‡	68⅞xd	−⅛	12.59	13.29
68	54⅝	Treasury 6¾pc '95-98‡‡	59⅛	−¼	11.62	12.70
128⅝	103	Treas. 15½pc '98‡‡	112⅛	−½	14.50	14.41
108⅞	81⅞	Exch. 12pc 1998	88⅞	−½	13.89	14.06
89⅞	67⅞	Treasury 9½pc 1999‡‡	73⅞	−⅛	12.98	13.43
106⅛	84¼	Exch. 12¼pc 1999	91⅞	−⅛	13.98	14.13
97⅛	73½	Treasury 10½pc 1999	79⅞	−½	13.50	13.82
102⅞	88⅞	Treas. 14pc '98-01	99⅞	−⅛	14.28	14.32
107	81⅞	Exch. 12pc '99-02	86⅞	−⅛	13.98	14.02
118	91¾	Treas. 13¾pc 2000-03	97¼	−⅛	14.17	14.20
102	91¼	Treas. 13¾pc 2000-03 A	99⅛	−⅛	14.20	14.21
97¼	79¾	Treasury 11½pc '01-04	87½	−⅛	13.81	13.92
42½	32½	Funding 3½pc '99-04	36½	−¼	9.63	11.12
111⅛	84	Treasury 12½pc '03-05	92⅛	−½	13.94	13.97
26¼	23½	Do. A £25pd.	23½	−⅛	13.90	13.94
75	60¼	Treasury 8pc '02-06‡‡	66⅛	−⅛	12.59	12.86
97¼	80⅞	Treasury 11¾pc 03-07	85⅞	−⅛	13.77	13.83
54	41⅞	Treasury 5½pc '08-12‡‡	47⅞	−⅛	12.03	12.32
73⅞	57⅛	Treasury 7¾pc '12-15‡‡	61⅞	−⅛	12.65	12.76
109¾	81½	Exch. 12pc '13-'17	90⅞	−⅛	13.45	13.45

Undated

1979-80 High	Low	Stock	Price £	+ or −	Yield Int.	Red.
36	28½	Consols 4pc	31xd	−¼	12.90	—
35⅛	27⅞	War Loan 3½pc‡‡	32⅞	−¼	10.84	—
39½	33⅞	Conv. 3½pc '61 Aft.	36⅞	−¼	9.81	—
27⅛	22	Treasury 3pc 66 Aft.	24½	−⅛	12.75	—
24¼	19½	Consols 2½pc	22⅛	−⅛	11.39	—
22⅞	18¼	Treasury 2½pc	20¼	−⅛	12.88	—

INTERNATIONAL BANK

1979-80 High	Low	Stock	Price £	+ or −	Yield Int.	Red.
86	78	5pc Stock '77-82	82¼xd	.....	6.07	13.46

CORPORATION LOANS

1979-80 High	Low	Stock	Price £	+ or −	Yield Int.	Red.
101	82¼	Bath 11¼pc 1985	89¼	−½	12.93	14.65
107⅛	86¼	Birm'ham 12½pc 1985	93½	−½	13.66	14.83
99¼	96½	Bristol 13¾pc 1981	98	.....	14.03	15.75
110¼	88¼	Burnley 13pc 1987	94	−¼	14.15	14.81
100	81	Cardiff 11pc 1986	88½	−½	12.86	14.39
103½	93	G.L.C. 12½pc '82	94¾	.....	13.19	15.25
104¼	89	Do. 12½pc 1983	92¾	−¼	13.48	15.24
95	84	Glasgow 9¼pc '80-82	86½	−¼	10.70	15.35
78½	64½	Herts 6½pc 1985-87	69¼xd	−½	9.74	13.35
98	81	Liverpool 9½pc '80-84	83½	.....	11.68	15.09
30	23	Do. 3½pc Irred.	26¼xd	−¼	13.56	—
106½	92	Lon. Corp. 13¼pc '83	94¼	.....	14.06	15.27
93½	81	Do. 9½pc '84-85	85½	−½	11.22	13.78
84	71	L.C.C. 5½pc '82-84	72½xd	.....	7.58	13.97
74½	59	Do. 5½pc '85-87	64½xd	−½	8.75	13.37
74	59	Do 6¾pc '88-90	64½xd	−½	10.52	13.16
26	20¼	Do. 3pc '20 Aft.	23¼	−¼	13.39	—
99¾	93	Newcastle 9¼pc '78-80	95¾	.....	9.66	16.69
105½	85¾	Sunderland 12¼pc 1984	90	.....	13.61	15.19

COMMONWEALTH & AFRICAN LOANS

1979-80 High	Low	Stock	Price £	+ or −	Yield Int.	Red.
88	81	Aust. 5½pc '81-82	85	−¼	6.66	14.81
84	74½	Do. 6pc 1981-83	77¼	.....	7.87	14.21
71½	58	N.Z. 7¼pc 1988-92	60½xd	.....	12.89	14.19
84¾	71	Do. 7½pc '83-86	74	.....	10.26	14.80
95	84¼	Sth. Africa 9½pc '79-81	92½	.....	10.56	16.24
132	43	Sth. Rhod. 2½pc '65-70	130	.....	—	—
152	81	Do. 6pc '78-81	142	.....	—	—

LOANS

Public Board and Ind.

1979-80 High	Low	Stock	Price £	+ or −	Yield Int.	Red.
66¼	56	Agric. Mt. 5pc '59-89	58½xd	−½	8.60	12.76
92	72½	Alcan 10½pc '89-94	77½	.....	15.03	15.80
30½	24½	Met. Wtr. 3pc 'B'	28	−¼	11.21	13.18
129	97	U.S.M.C. 9pc 1982	98	.....	9.33	—
95	81	Do. without Warrants	87½	.....	10.46	16.00

Financial

1979-80 High	Low	Stock	Price £	+ or −	Yield Int.	Red.
103¾	96	FFI 13pc 1981	97¾	.....	13.30	15.47
108¼	94	Do. 14pc '83	96	.....	14.58	15.37
86½	77½	ICFC 5½pc Deb. '80-82	83	−½	6.80	14.53
85	69	Do. 6¼pc Db. '81-84	74	−½	8.62	14.30
99	79½	Do. 10½pc Uns. Ln. '86	86xd	−½	12.20	14.00
99	77	Do. 11pc Uns. Ln. '88	84xd	−1	13.09	14.00
101½	80	Do. 11¾pc Uns. Ln. '90	87½xd	−½	13.42	14.10
72½	54½	Do. 7¼pc A Deb. '89-92	60	.....	12.37	14.30
69	51½	Do. 7¼pc A Db. '91-94	60½	−½	12.59	14.20
72	64	Do. 9pc 'A' '91-94	73½	−½	13.24	14.30
78½	61	Do. 8⅞pc Ln. '92-97	64¼xd	−¼	13.81	14.40
102	85	Do. 12½pc. Uns. Ln. 1992	94½	.....	13.76	—

FOREIGN BONDS & RAILS

1979-80 High	Low	Stock	Price £	+ or −	Div. % Gross	Red. Yield
57	22	Antofagasta Rly.	57	.....	—	—
52	37	Do. 5pc Pref.	50xd	.....	—	—
98	98	Chilean Mixed	98	.....	—	3.39
65	18	Chinese 4½pc 1898	57	.....	—	—
50	21	Do. 5pc 1912	44	.....	—	—
28	13	Do. 5pc 1913	23	.....	—	—
27	10	Do. 5pc 1925 Boxer	20	.....	—	—
430	400	German Yng. 4½pc.	430xd	.....	4½	—
52	35	Greek 7pc Ass.	35	.....	3½	10.52
51	34	Do 6pc 28 Stab. Ass.	35	.....	6	10.88
42	32	Do 4pc Mixed Ass.	34	.....	4	7.28
54	42	Hung. '24 Ass.	53	.....	—	5.33
68	55	Iceland 6½pc '83-88	55	.....	—	15.88
90½	78½	Ireland 7¾pc '81-83	84xd	.....	7½	13.37
87½	69	Do 9¾pc '91-96	79	.....	9¾	13.56
390	215	Japan 4pc '10 Ass	215xd	.....	—	—
73	62	Do 6pc '83-88	68xd	.....	6	8.82
160	135	Peru Ass. 3pc	155	.....	3	2.08
$90	$75	S.G.I. 6½pc 1980	$90	.....	6½	7.22
$94½	$92	Turin 9pc 1991	$92	.....	9	9.78
DM92	DM91	Turin 6½pc 1984	DM92	.....	6½	8.85
97	95	Uruguay 3½pc	96	.....	3½	3.80

AMERICANS

1979-80 High	Low	Stock	£	+ or −	Div. Gross	C'vr	Y'ld Gr's
23⅛	11¾	ASA	22⅛	−1	$2.40	—	4.9
59	30	AMF 5% Conv. '87	30	.....	5%	—	19.9
21¾	14⅝	Abbott Labs.‖	17xd	−⅛	$1.00	—	—
25⅞	17	Amax $1	23¼	+⅛	$2.40	—	4.6
23½	13⅛	American Express	14⅛	.....	$1.80	—	5.7
19½	10½	American Medical Int.	16	+⅛	80c	—	2.2
23	847p	Asarco Inc.	22⅝	−⅛	$1.50	—	3.0
28⅞	19¼	Baker Intnl. Corp. $1	27¼xd	+½	60c	—	1.0
12⅛	725p	Barnes Grp. $6⅔	845p	.....	$0.66	—	3.5
29⅞	16⅞	Bendix Corp. $5	24⅝	+¼	$2.84	—	5.3
17⅞	905p	Beth. Steel $8	10⅞	+⅛	$1.60	—	6.7
13	583p	Brown'g Fer. c16⅔	780p	+18	70c	—	4.0
11	503p	Brunswick Corpn.‖	617pxd	−2	80c	—	5.8
39⅞	27½	Burroughs Corp. $5	36⅛	−⅛	$2.60	—	3.3
41⅞	21⅞	CBS $2.50	22⅞	−⅛	$2.60	—	5.2
38	24⅞	C.P.C. $½	30¾	−⅛	$3.0	—	0.0
46⅞	23⅞	Caterpillar‖	25¼xd	+⅛	$2.10	—	3.7
23⅞	16⅛	Chase M'htn. $12.5	18⅛xd	−⅛	$2.80	—	6.9
10⅞	921p	Chesebrough $1	991p	−34	$1.28	—	1.5
847p	265p	Chrysler $6¼	430p	+10	‡40c	—	‡
19⅞	932p	Citicorp $4	975p	−14	$1.30	—	6.1
11½	723p	City Inv. $1.25	754p	−4	$1.20	—	7.2
18½	11¾	Do. Cm. Prf. B $1	11½	−⅛	$2.0	—	7.9
14⅞	597p	Colgate-P. $1	623pxd	+4	$1.08	—	7.8
28¼	19¼	Colt Inds. $1	22½	.....	$2.50	—	5.0
24⅞	17½	Conoco	24	+⅛	$1.90	—	3.6
20⅞	11½	Cont. Illinois $10	11½xd	.....	$1.60	—	6.3
25⅞	16⅞	Crown Zell. $5	21	+⅛	$2.10	—	4.5
18½	10⅞	Eaton Crp. $0.50	11⅝	−⅛	$1.72	—	6.7
19⅞	11	Esmark	12½	.....	$1.84	—	6.6
38⅞	23⅛	Exxon ‖	26⅞	+⅛	$4.40	—	7.4
10⅛	376p	Firestone Tire ‖	385p	+4	60c	—	7.0
13⅞	614p	First Chicago	650p	+26	$1.20	—	8.4
27¼	15	Fluor Corp. $⅝	27¼	+1¼	$1.20	—	1.9
32	13¼	Ford Motor $2	14⅞xd	+¼	$4.00	—	12.1
23⅛	13⅞	GATX	17½	.....	$2.0	—	5.1
37⅛	20⅞	Gen. Elect. $2½	24⅞	+⅛	$2.60	—	4.7
20⅛	11⅛	Gillette $1	11⅛xd	−⅛	$1.72	—	6.9
55⅛	30⅞	Honeywell $1.50	40¼	−⅛	$2.60	—	2.9
10⅞	624p	Hutton E.F.	10⅛	+⅛	b80c	—	3.6
54	27⅞	I.B.M. Corp. $1.25	31	−⅛	$3.44	—	5.1
37⅞	22⅞	Ingersoll-R $2	26⅝	.....	$3.16	—	5.3
854p	467p	I. U. International‖	578p	+15	95c	—	7.4
14½	823p	Kaiser Al. $⅓	10	+⅛	$1.20	—	5.4
25⅞	12⅛	Louisiana Land $0.15	25	+1⅛	$1.48	—	2.6
24½	13⅞	Manf. Han. US$7.50	14	+⅛	$2.52	—	8.1
36⅞	20	Morgan (JP) US$2.5	20⅝	.....	$2.50	—	5.4
12⅞	638p	Norton Simon Inc. $1	639pxd	−12	$1.04	—	7.3
14⅞	853p	Owens-Ill. $3.125	10¼	+⅛	$1.26	—	5.5
18⅛	11	Quaker Oats US$5	13½xd	−⅛	$1.40	—	4.7
28⅞	19⅞	Reliance $0.25	27½	+⅛	$2.00	—	—
27	16¼	Rep. N.Y. Corp. $5	21⅞	+⅛	$2.52	—	5.2
14¼	706p	Rexnord $5	775p	+13	$1.04	—	6.1
18	991p	Richdsn.-Mrll. $1¼	991p	−21	$1.20	—	1.4
27⅛	17¼	Rockwell Int.	27¼	−⅛	$2.60	—	4.3
528p	299p	Saul (B. F.) $1	347p	−7	—	—	—
30½	18⅛	Shell Oil $1	28⅞	−⅛	$2.40	—	3.8
929p	351p	Singer ($10)	408p	+5	40c	—	4.4
36⅛	20¼	Sperry Corp. $0.50	25⅝	−¼	$1.56	—	2.8
27¼	16⅛	TRW Inc. $1¼	20¾	+¼	$2.00	—	4.4
23⅛	16	Tenneco	19	.....	$2.40	—	5.8
152	127	Do. 10% Ln. Stk. 91-95	150	+3	10%	—	f6.7
977p	541p	Tesoro Pt. US$0.16⅔	942p	−30	—	—	—
19⅛	12⅛	Texaco $6.25	16	−⅛	$2.40	—	6.8
32½	18⅞	Time Inc.	22	−½	$1.66	—	3.4
981p	731p	Transamerica $1	843p	+4	$1.12	—	6.0
29⅞	16⅞	Utd. Tech. $US5	23¼	.....	$2.20	—	4.2
19⅛	775p	U.S. Steel $1	854p	+37	$1.60	—	8.6
17⅛	10⅞	Woolworths $3½	10½	+¼	$1.60	—	6.9
44½	26⅛	Xerox Corp. $1	28½	−½	$2.40	—	3.8
14¼	775p	Zapata Corp. 25c	14¼xd	+1½	30c	—	0.9

CANADIANS

1979-80 High	Low	Stock	£	+ or −	Div. Gross	C'vr	Y'ld Gr's
16⅞	860p	Bk. Montreal $2	10xd	.....	$1.48	—	5.6
15½	840p	Bk. Nova Scot.	960pxd	.....	$1.32	—	5.2
13⅛	750p	Bell Canada $8⅓	750p	.....	$1.64	—	8.3
19⅞	10⅞	Bow Valley‖	19xd	+½	b10c	—	0.2
12½	525p	Brascan‖	925p	.....	‡$1.20	—	4.9
19⅞	930p	Can. Imp. Bk. $2	10¼	−⅛	$1.80	—	6.6
17⅛	12⅞	Can. Pacific $5	16⅞xd	+¼	$1.80	—	4.1
33⅞	28	Do. 4pc Deb. £100	30¾	.....	4%	—	13.0
49⅞	21¼	Gulf Oil Can.‖	49⅞	+1¼	$1.60	—	1.2
790p	450p	Hawker Sid. Can.‖	655p	+30	80c	—	4.7
26⅞	16½	Hollinger $5	17½	+⅛	s$2.20	—	4.8
17⅞	895p	Hudson's Bay ‖	10⅛	+⅛	‡$1.10	—	4.0
41⅞	27½	Hud. B. Oil G. $2½	40⅞xd	+2⅛	$2.30	—	2.2
20	13⅞	Imperial Oil‖	16⅞	.....	$1.20	—	2.7
15⅛	820p	Inco	12½	+⅛	50c	—	1.5
740p	475p	Int. Nat. Gas $1	515p	.....	90c	—	6.7
800p	390p	Massey Ferg.‖	450p	+20	—	—	—
202p	103p	Place Gas $1	145p	.....	—	—	—
24⅛	10¼	Rio Algom	13¾	+⅛	$1.50	—	4.1
26⅞	14⅛	Royal Bk. Can. $2	16⅞xd	+⅛	$2.40	—	5.4
22⅞	13⅞	Seagram Co. C$1	19⅞xd	.....	$US1.10	—	2.5
14½	840p	Tor. Dom. Bk. $1	990pxd	.....	$1.36	—	5.2
11⅞	850p	Trans Can. Pipe	950p	−25	$1.16	—	4.7

BANKS AND HIRE PURCHASE

1979-80 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's	P/E
288	183	ANZ $A1	230	+3	Q22c	3.7	5.0	5.5
290	180	Alexanders D. £1	218xd	.....	16.0	—	10.5	—
*£151	£66½	Algemene Fl.100	£70½	+4	†Q25%	2.1	7.9	6.0
400	270	Allen Harvey £1	345	.....	21.44	—	8.9	—
148	100	Allied Irish	116	.....	hQ8.09	—	6.8	—
16¾	12	Ansbacher (H.) 5p.	14¼	.....	—	—	—	—
218	140	Arbuthnot L. £1	216	−2	†10.42	—	9.3	—
435	302½	Bk. Ireland £1	335	.....	Q25.0	—	7.2	—
£195	£138	Do. 10pc Conv.	£148	.....	Q10%	—	f6.9	—
14	7	Bk. Leumi I£1.	11	+2	Q16%	—	1.8	—
*157	100	Bk. Leumi (UK) £1.	120	+10	8.57	—	10.7	—
*234	134	Bk. N.S.W. $A1	165	+10	Q18c	3.0	5.6	6.0
352	240	Bank Scotland £1	278	−2	†12.25	5.0	6.3	4.2
£25¾	£17⅝	Bankers N.Y. $10	£19½	.....	Q$3.30	—	7.6	—
514	360	Barclays £1	432	−3	†16.5	6.2	5.5	3.7
286	230	Brown Shipley £1	278	.....	†13.0	—	6.7	—
375	250	Cater Ryder £1	313	.....	18.88	—	8.6	—
110	59	Clive Dis'nt 20p	78	.....	5.33	—	9.8	—
224	121	Com'l Aus. ($A1)	142	+3	Q18c	3.0	6.5	5.1
*£17	862	Com'zbk DM 10ε	910	+10	Q26.69%	—	7.6	—
£18½	900	C'hgn. Hbk. Kr100	975	.....	Q12%	—	11.4	—
41	20	Corinthian 10p	40	.....	†1.05	5.9	3.8	4.6
£24¾	£15	Cred. France F75	£17½	.....	Q9.87%	—	3.7	—
11	5	Dawes (G. R.)	10	.....	—	—	—	—
*£11⅞	£62½	Deutsche Bank DM50	£64	.....	Q28.12%	—	5.8	—
90	55	F. C. Finance	65	.....	2.2	4.9	4.8	6.0
17	5¼	First Nat. 10p	16½	−½	—	—	—	Φ
4	1½	Do. Wrts. 75-83	2¾	.....	—	—	—	—
266	178	Gerrard Natnl.	238	.....	†9.22	—	5.5	—
80	38	Gibbs (A.)	78	−2	2.2	—	4.0	—

BANKS & HP—Continued

Hire Purchase, etc.

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INDUSTRIALS—Continued

INSURANCE

INSURANCE—Continued

LEISURE

1979-80 High	Low	Stock	Price	+ or –	Div. Net	C'vr	Y'ld Gr's	P/E
71	55½	Redif. TV Pref. £1	57	......	5.95	24.2	14.9	—
244	142	Saga Hols. 20p	199	......	7.5	ϕ	5.4	ϕ
238	104	Samuelson 20p	155	+5	8.77	ϕ	8.4	ϕ
91	60	Scott. TV 'A' 10p	72	......	2.63	6.0	5.2	3.4
25	5	††Tom Hill	18	......	—	—	—	18.3
69½	46	Trid'm TV 'A' 10p	54	......	3.47	ϕ	9.6	ϕ
98	62	Ulster TV 'A'	73	......	4.8	2.2	9.4	7.0
20	15	Webb (Jos.) 5p	17½	......	hd0.5	2.8	4.1	11.5
33½	22½	Westward TV 10c	24½	......	2.0	2.3	12.4	5.1
81	54	Zetters 5p	56	......	†1.9	5.0	4.9	5.8

MOTORS, AIRCRAFT TRADES

Motors and Cycles

1979-80 High	Low	Stock	Price	+ or –	Div. Net	C'vr	Y'ld Gr's	P/E
26	16	B.L. 50p	17	......	—	—	—	—
215	110	Gen. Mts. Units	120	......	Q26.50	ϕ	9.9	ϕ
52	28	Lotus Car 10p	33	......	0.7	6.5	3.0	7.3
105	54	Rolls Royce Mtrs.	68	–1	5.23	2.6	11.0	4.3
£13⅜	650	Volvo Kr50	865	......	Q16%	ϕ	10.5	ϕ

Commercial Vehicles

1979-80 High	Low	Stock	Price	+ or –	Div. Net	C'vr	Y'ld Gr's	P/E
140	74	E.R.F. (Hldgs.)	94	+3	†5.4	9.8	5.3	2.0
61	27	Fodens (50p)	31	–2	9.61	—	12.0	—
14½	6	Peak Investš. 10p	9	......	—	—	—	—
193	105	Plaxtons	175	–1	7.25	4.8	5.9	4.4
54	37	York Trailer 10p	38	......	†d2.39	2.1	10.3	5.1

Components

1979-80 High	Low	Stock	Price	+ or –	Div. Net	C'vr	Y'ld Gr's	P/E
78	50	Abbey Panels	70	......	d2.68	3.4	5.5	7.7
52	36	Airflow Stream	44	......	†d2.74	2.7	8.9	(4.9)
75	45	Armst'ng Eq. 10p	52	......	d2.60	4.6	7.1	3.3
111	60	Assoc. Eng'g.	74½	–4½	6.02	1.9	11.5	(5.3)
108½	99½	Automotive	67	–1	†1.52	9.7	3.2	4.2
73	53	Bluemel Bros.	54	......	3.82	ϕ	10.1	ϕ
34	23½	Brown Bros. 10p	28	......	1.4	3.4	7.1	4.5
£22	£10⅝	Dana Corp $1	£11	......	Q$1.52	3.5	6.3	4.9
76	55	††Delight	61	......	u5.0	2.5	11.7	4.9
182	126	Dowty 50p	164	–9	h3.75	3.8	3.3	9.4
80	43	Dunlop 50p	58	–1	5.3	1.2	13.1	10.6
231	110½	Flight Refuelling	230	–1	†h2.4	4.7	1.5	20.4
18	10	Hmn. Smith 10p	16	......	d0.46	7.4	4.1	3.7
69	45½	Kwik Fit Hldgs. 10p	67	–½	F1.34	4.9	2.9	11.0
310	195	Lucas Inds. £1	260	–2	11.0	3.7	6.0	4.8

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PROPERTY—Continued

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SHOES AND LEATHER

SOUTH AFRICANS

TEXTILES

1979-80 High	Low	Stock	Price	+ or –	Div. Net	C'vr	Y'ld Gr's	P/E
51	33	Sunbeam Wolsey	34	+1	Q5.5	3.2	15.7	2.7
86	62	Tern Consulate	65	......	†d3.6	3.4	7.9	4.3
60	41	Text'rd Jrsy. 10p	46	+2	td3.0	3.8	9.6	3.4
68	36	Tomkinsons	37	......	2.0	1.8	7.9	(8.4)
52½	26½	Tootal	28	......	†3.04	2.0	15.5	3.7
73	31½	Toray Y50	40	–1	Q10%	1.0	2.4	36.2
36	22	Trafford Carpets	23	......	‡1.75	0.6	‡	(28.3)
129	55	Vita-Tex 20p	123	......	ϕ4.6	5.7	5.3	4.7
42	30	Yorks. Fine W. 20p	30	......	†2.0	2.5	9.5	5.9
39	15	Youghal	17	......	—	—	—	5.3

TOBACCOS

1979-80 High	Low	Stock	Price	+ or –	Div. Net	C'vr	Y'ld Gr's	P/E
362	230	BAT Inds.	262	......	t17.87	3.0	10.2	(3.9)
337	223	Do. Defd.	252	......	—	—	—	4.9
108	71½	Imperial	77	–½	6.32	1.9	11.7	5.4
81	45½	Rothmans 12½p	53	–½	†2.45	9.4	6.6	1.7

TRUSTS, FINANCE, LAND

Investment Trusts

1979-80 High	Low	Stock	Price	+ or –	Div. Net	C'vr	Y'ld Gr's	P/E
74	56	Aberdeen Invs.	68	......	†2.85	1.1	6.0	22.8
111	72	Aberdeen Trust	92	–½	4.45	ϕ	6.9	ϕ
145	103	Ailsa Inv.	122	......	†5.84	1.0	6.8	20.1
122	91	Alliance Inv.	110	+1	¶4.3	1.0	5.6	29.0
250	167	Alliance Trust	201	–1	†8.0	1.0	5.9	24.3
213	115	Altifund Inc. 50p	119	......	†10.0	1.1	12.0	11.0

INVESTMENT TRUSTS—Cont.

Finance, Land, etc.

FINANCE, LAND—Continued

1979-80 High	Low	Stock	Price	+ or –	Div. Net	C'vr	Y'ld Gr's	P/E
22½	14	[illegible]	20	......	0.3	2.0	2.2	[illegible]
37	25	Lon. Euro Grp.	28	......	†1.1	4.4	5.6	5.0
18½	3	London Inv. 5p	16½	–½	ø0.7	2.5	6.1	9.5
[illegible]	53	Lon. Merchant	147	......	†1.0	3.9	1.0	28.3
225	[illegible]	M. & G. Hldgs. 5p	158	......	†3.86	5.2	3.5	7.6
115	68	Majedie Invs. 10p	110	–4	1.5	1.5	2.0	42.7
64	30	Martin (R.P.) 5p	46	+1	3.0	1.0	9.3	14.5
655	500	[illegible]	560	......	Q51.40	—	11.2	—
192	128	Mercantile Hse.	150xd	......	u12.0	2.3	11.4	6.2
96	52	[illegible]	82ø	......	—	—	—	—
24	17	N.M.C. Invs. 12½p	20	......	1.43	1.7	10.2	8.3
420	[illegible]	[illegible]	220	......	—	—	—	—
19	12	[illegible] 10p	14	......	g0.4	1.2	4.1	28.5
94	38½	Park Place Inv.	76	......	2.8	3.1	5.3	6.9
296	190	Pearson (S.) & Son	216	......	†6.0	3.7	5.3	7.0
118	65	[illegible] 10p	96	+3	—	—	—	—
126	56	Scot. & Merc. 'A'	105	–1	4.75	1.1	6.5	19.3
£104½	[illegible]	[illegible]	£101½	......	—	—	—	—
[illegible]	52	[illegible]	154	......	Q4¼%	—	7.9	—
65	23	Smith Bros.	35	......	d1.6	0.7	6.5	30.7
£51	£27½	Suez Fin. NF100	£29	......	Q27%	1.1	11.3	8.7
£12½	£10	Trans. Nat. Ts.	£11½	......	Q15.0	0.9	1.3	♣
30	21	Wstn. Select. 20p	20	......	2.1	1.1	10.7	[illegible]
95	50	West of England	94	......	ϕ2.5	2.4	3.8	12.4
*14¼	10½	Yorkgreen 10p	11	......	0.44	3.5	5.7	7.9
130	67	Yule Catto 10p	125	–5	ϕ2.0	3.1	2.3	16.1

OIL & GAS

1979-80 High	Low	Stock	Price	+ or –	Div. Net	C'vr	Y'ld Gr's	P/E
358	60	††Aran Energy £1	276	–28	—	—	—	—
184	70	Attock 20p	172	......	—	—	—	—
631	275	[illegible]	550	+25	—	—	—	—
308	158	Brit. Borneo 10p	300	–2	†7.53	1.4	3.7	26.9
405	229½	Brit. Petroleum	364	+4	ϕ13.75	3.2	5.4	6.6
74	56	Do. 8% Pf. £1	57	......	5.6%	122.8	14.0	—
197	52	Burmah £1	186	–1	43.0	3.4	2.3	(14.1)
[illegible]	[illegible]	Do. [illegible]	[illegible]	......	[illegible]	4.7	[illegible]	—
332	82	††CCP North Sea	309	–11	—	—	—	—
264	105	[illegible]	234	–18	—	—	—	—
99	38	††Candecca Res.	90	......	—	—	—	—
86	35	Carless Capel 10p	80	–6	ø2.05	4.5	2.5	16.3
132	55½	Century 10p	127	......	F3.65	3.3	4.1	10.7
79½	25½	Charterhall 5p	73	–1	—	—	—	—
£35½	£19½	Cie Fr. Petroles B.	£28	+2	Q15%	2.2	5.8	8.0
465	162½	[illegible] Oil £1	465	+5	—	—	—	—
455	200	††Do. Cn. A	455	+10	—	—	—	—
340	64	[illegible] Petrol £1	328	–12	d1.12	3.6	0.5	81.5
455	114	††Gas & Oil Acreage	350	–50	—	—	—	—
136	35	Hunting Petrol	120	–2	†4.65	2.0	5.5	[illegible]
[illegible]	356	Imp. Cont. Gas £1	702	–8	†18.09	2.5	3.6	11.9
60	25	I.C.A.	59	......	†1.0	4.7	2.4	9.2
416	124	LASMO	416	+4	◆—	—	—	—
[illegible]	[illegible]	[illegible]	£93¾	......	ϕQ14%	—	[illegible]	—
£10	375	LASMO 'Ops' 10p	955	......	ϕ211.5	—	1.8	—
45	14	Magnet Metals 15c	36	+1	—	—	—	—
40	20	††New Court Nat.	39	+1	0.55	3.0	2.0	38.3
69½	13	Premier Cons. 5p	67½	......	—	—	—	—
£11½	520	Ranger Oil	£11½	+¼	—	—	—	—
[illegible]	[illegible]	Ryl. Dutch Fl 20	£36½	+¼	[illegible]	1.9	6.5	7.9
445	95	Santos A$0.25c	445	+35	Q30c	2.1	3.4	14.1
530	275	Sceptre Res.	490	–10	—	—	—	—
402	278	Shell Trans. Reg.	358	......	†15.53	1.7	7.4	9.0
54	49½	Do. 7% Pf. £1	50	......	4.9%	110.9	24.0	—
[illegible]	190	††Siebens (U.K.) £1	650	......	—	—	—	—
£71	[illegible]	Texaco 4½% Cnv.	£71	......	Q4¼%	—	[illegible]	—
[illegible]	148	Tricentrol	266	–5	ϕ5.56	2.3	2.5	[illegible]
[illegible]	197	Ultramar	456	–8	†10.0	—	3.3	12.2
229	125	Do. 7pc Cnv. £1	226	–2	Q7%	37.5	4.5	—
745	165	††Viking Oil £1	745	......	—	—	—	—
410	110	Weeks Pet. 10cts	365	......	—	—	—	—
410	110	Do. [illegible] 10c	385	......	Q1.61	—	0.4	—
137	44	Woodside A50c	134	–3	—	—	—	—

OVERSEAS TRADERS

1979-80 High	Low	Stock	Price	+ or –	Div. Net	C'vr	Y'ld Gr's	P/E
310	225	African Lakes	295	......	h3.67	14.9	1.8	3.7
600	345	Assam Trad. B £1	540	+10	20.0	2.9	2.7	18.2
147	101	Aust. Agric. 50c	142	......	s07.5	1.6	2.7	21.5
224	136	[illegible] (S. & W.)	252	–2	7.5	q2.6	4.3	(5.0)
97	54	[illegible] 5p	61	–1	6.2	1.3	14.5	(6.5)
64	32	Bousted (10p)	56	–4	†11.0	b3.5	2.6	12.4
109	64	Finlay (James)	88	–3	15.05	2.3	6.2	5.2
154	121	Gill & Duffus	133	–3	b6.75	2.8	7.2	5.5
£57⅝	£24½	Gt. Nthn. £10	£25	......	hQ9¼%	2.9	3.7	9.5
800	497½	Harrisns. Cros. £1	787	–13	†24.05	1.9	4.4	14.2
84	53	Hoffnung (S.)	74½	–2	4.49	1.3	8.8	(11.0)
370	260	Inchcape £1	370	+5	ϕ18.15	1.4	7.1	12.2
43	21	Jacks Wm.	37	......	±1.22	3.4	‡	6.7
17½	10	Jamaica Sugar	12	......	—	—	—	—
109	62	Lonrho	102	+1	†6.65	2.3	9.3	(5.4)
66½	35½	Mitchell Cotts	46½	+½	3.61	1.1	11.1	(11.0)
97½	76½	Nesco Invests.	92	......	t6.3	1.1	9.8	(12.7)
91	60	Ocean Wlsns. 20p	75	......	3.5	2.9	6.8	5.7
220	140	Pat'son. Zoch. 10p	205	–5	9.0	5.2	6.3	4.4
215	130	Do. 'A' N/V 10p	202	+2	9.0	5.2	6.4	4.3
43	15	Sanger (J.E.) 10p	18	......	—	—	—	—
117	68	Sime Darby M$0.5	91	+3	Q3.37	2.2	3.7	12.5
209	112	Steel Bros.	153	+8	†7.15	3.3	6.7	5.8
76	43	Tozer Kems. 20p	74	–2	ϕ4.77	2.0	9.2	6.6
£93	£85	Do. 8pc Ln. '81	£90	......	Q8%	10.8	19.2	—
42	24½	U. City Merc. 10p	33	......	bd1.23	4.9	5.3	4.3
42	23½	Do. 10pc Ln. 16p	32	......	Q10%	29.9	15.7	—

RUBBERS AND SISALS

1979-80 High	Low	Stock	Price	+ or –	Div. Net	C'vr	Y'ld Gr's
138	89	Anglo Indones'n	135	......	3.03	3.0	3.2
116	65	Barlow Hldgs. 10p	112	–1	†T2.6	1.1	3.3
69	20½	Bertam Cons. 10p	69	+5	h0.75	1.9	1.6
*8	2½	Bird (Africa)	2½	......	—	—	—
460	230	Castlefield 10p	460	......	5.0	2.0	1.6
53	36	Cons. Plants M$0.5	51½	......	Q3.75	1.1	7.3
12	8	Grand Central 10p	9½	......	d0.6	—	9.5
710	320	Guthrie £1	708	+8	b28.0	1.3	5.5
199	105	Harrisons Mly. Est. 10p	199	......	6.5	1.1	4.7
128	67	Highlands M50c	100	......	Q25c	1.2	5.1
92	65	Kuala Kepong M$1	90	–2	†Q20c	1.2	4.5
53½	39	††Kulim M50c	52	–1½	bQ12c	1.1	4.8
440	185	Ldn. Sumatra 10p	435	+10	6.0	1.4	2.0
104	61	Malakoff M$1	104	......	sQ15c	2.0	2.9
62	48	Malay. Plants. M$1	59	–3	Q18c	1.3	7.0
190	119	Rightwise 10p	188	......	—	—	—

TEAS

India and Bangladesh

1979-80 High	Low	Stock	Price	+ or –	Div. Net	C'vr	Y'ld Gr's
290	245	Assam Dooars £1	282	......	ϕ9.51	—	4.8
305	230	Assam Frontier £1	237	......	10.15	4.4	6.1
124	95	Assam Invs. £1	105	......	4.67	ϕ	6.6
30½	15½	Empire Plants 10p	23½	......	◆—	—	—
470	335	Lawrie Plants £1	465	......	17.5	3.3	5.4
345	223	McLeod Russel £1	340	+21	13.5	1.1	5.7
390	235	Moran £1	290	......	10.0	—	4.9
165	129	Warren Plants.	152	......	†9.5	2.7	9.1
228	157	Williamson £1	228	+3	F12.5	ϕ	7.8

Sri Lanka

1979-80 High	Low	Stock	Price	+ or –	Div. Net	C'vr	Y'ld Gr's
370	230	Lunuva £1	370	+15	†10.0	1.1	3.9

Africa

1979-80 High	Low	Stock	Price	+ or –	Div. Net	C'vr	Y'ld Gr's
165	95	Blantyre	95	......	6.0	1.6	9.0
155	85	Ruo Estates	85	......	4.5	ϕ	‡

MINES

CENTRAL RAND

1979-80 High	Low	Stock	Price	+ or –	Div. Net	C'vr	Y'ld Gr's
£15	270	Durban Deep R1	£13¼	–⅞	Q155c	ϕ	6.7
£15⅞	235	East Rand Prp. R1	£12¾	–1⅜	Q103c	ϕ	4.5
£36	£20⅞	Randfont'n Est. R2	£30⅞	–1	Q600c	ϕ	11.1
341	91	West Rand R1	309	–32	Q17½c	ϕ	3.2

EASTERN RAND

1979-80 High	Low	Stock	Price	+ or –	Div. Net	C'vr	Y'ld Gr's
201	62	Bracken 90c	190	–9	Q52c	1.4	15.7
66	16	East Daggа R1	53xd	–13	Q10c	ϕ	10.9
396	215	E.R.G.O. R0.50	353	–19	†Q25c	1.7	4.1
405	85½	Grootvlei 25c	344	–32	Q92c	ϕ	15.3
605	247	Kinross R1	584	–15	Q74c	1.6	7.2
167	50	Leslie 65c	137	–18	Q32c	1.2	13.4
190	63½	Marievale R0.25	163	–27	Q85c	ϕ	29.0
389	55	S. African Ld. 35c	364xd	–25	Q40c	ϕ	6.3
164	33	Vlakfontein 90c	146	–18	Q20c	ϕ	7.8
£15	515	Winkelhaak R1	£13½	–½	Q205c	1.6	8.7
136	31½	Wit. Nigel 25c	110	–18	Q1½c	6.7	0.6

FAR WEST RAND

1979-80 High	Low	Stock	Price	+ or –	Div. Net	C'vr	Y'ld Gr's
636	253	Blyvoor 25	584	–35	†Q105c	1.6	10.3
£17½	656	Buffels	£16⅛	–⅞	†Q200c	2.3	7.0
278	88	Deelkraal R0.20	251	–14	—	—	—
695	216	Doornfontein R1	584	–46	Q60c	2.8	5.9
£13⅛	562	East Drie R1	£11⅞	–⅝	Q175c	ϕ	8.4
445	216	Elandsrand Gld. 20c	397	–12	—	—	—
298	70	Elsburg R1	256	–23	Q30.55c	ϕ	6.8
£27½	£11	Hartebeest R1	£26	–1½	†Q400c	1.4	8.8
£15⅛	483	Kloof Gold R1	£14⅛	–⅞	†Q110c	1.7	5.5
£10⅜	414	Libanon R1	915	–36	Q150c	1.7	9.4
£12¼	422	Southvaal 50c	£10⅜xd	–⅝	Q140c	ϕ	7.7
745	291	Stilfontein 50c	651	–46	Q135c	ϕ	11.9
£32½	£12⅜	Vaal Reefs 50c	£28½xd	–1⅛	Q510c	ϕ	10.2
735	140	Venterspost R1	617	–46	mQ45c	1.8	4.2
£39⅞	£17¼	W. Drie R1	£36⅛	–1⅛	†Q615c	1.3	9.7
427	109	Western Areas R1	397	–20	Q47c	ϕ	6.8
£20¼	611	Western Deep R2	£17⅞xd	–1⅛	Q320c	ϕ	10.2
496	185	Zandpan R1	441	–23	†Q67c	1.0	8.7

O.F.S.

1979-80 High	Low	Stock	Price	+ or –	Div. Net	C'vr	Y'ld Gr's
215	90	Free State Dev. 50c	180	–7	†Q15c	1.6	4.9
£27¾	£11⅜	F.S. Geduld 50c	£25⅜	–1⅛	Q420c	2.2	9.5
365	59	F.S. Saaiplaas R1	251	–32	—	—	—
929	265	Harmony 50c	794	–68	†Q90c	2.5	6.5
381	13	Loraine R1	340	–36	—	—	—
£19¼	750	Pres. Brand 50c	£17⅞	–⅞	Q295c	3.0	9.5
£16⅜	566	Pres. Steyn 50c	£15¼	–1¼	Q182½c	2.1	6.8
£16½	603	St. Helena R1	£15¼	–⅞	Q300c	1.1	11.3
525	185	Unisel	441	–34	—	—	—
693	245	Welkom 50c	617	–35	Q110c	1.5	10.2
£28½	£15	W. Holdings 50c	£27¾	–¾	Q645c	1.3	13.3

FINANCE

1979-80 High	Low	Stock	Price	+ or –	Div. Net	C'vr	Y'ld Gr's
£12½	590	Ang. Am. Coal 50c	£11	–½	†Q72c	3.1	3.7
720	300	Anglo Amer. 10c	610	–20	†Q46c	2.0	4.3
£44½	£14½	Ang. Am. Gold R1	£38½	–2⅛	†Q250c	1.3	3.7
£16½	900	Ang Vaal 50c	£15½	......	†Q150c	3.6	5.5
162	59	Charter Cons. 2p	153	–1	st8.0	2.4	7.5
482	178	Cons. Gold Fields	470	+2	13.51	2.2	4.1
35	17	East Rand Con. 10p	31	–1	1.05	1.0	4.8
880	355	Gen. Mining 40c	860	–20	†Q60c	2.0	4.0
£35	£11⅝	Gold Fields S.A. 25c	£32½	+½	†Q225c	1.8	4.0
£31¼	£13½	Jo'burg Cons. R2	£28¾	–¼	†Q255c	2.9	5.1
430	150	Middle Wit 25c	395	–15	†Q35c	2.1	5.1
330	140	Minorco $BD1.40	305	–10	KQ19c	1.5	3.6
262	98	New Wit 50c	209	–12	†Q24c	1.3	6.8
£12½	850	Pauno NV Fls.5	£11¼	+⅞	QC50c	ϕ	1.7
124	41	Rand London 15c	112	–2	Q11c	ϕ	5.6
698	442	Selection Trust	694	–4	20.54	1.5	4.3
329	168	Sentrust 10c	309	–5	†Q38c	1.2	7.0
113	36	Silvermines 2½p	100	–5	†1.5	0.2	2.1
285	158	Tanks Con. 50p	276	+2	Q10.0	1.3	3.6
92	84	Do. Pref. 80p	90	......	Q9%	17.7	8.0
£22½	£10⅝	T'vaal. Cons. Ld. R1	£20	–1½	Q135c	3.5	3.9
450	215	U.C. Invest R1	415	–25	†Q42c	1.5	5.8
680	255	Union Corpn. 6.25c	650	–10	ϕ†Q57c	2.1	4.1
125	55	Vogels 2½c	118	–2	Q16c	ϕ	6.1

DIAMOND AND PLATINUM

1979-80 High	Low	Stock	Price	+ or –	Div. Net	C'vr	Y'ld Gr's
£49¾	£35	Anglo Am. Inv. 50c	£48½	–½	Q750c	1.1	8.8
500	332	De Beers Df. 5c	466	+2	Q65c	3.0	8.0
£11	750	Do. 40pc Pf. R5	850	......	Q200c	39.7	13.4
317	138	Impala Plat. 20c	282	–8	Q34c	3.6	6.9
195	66	Lydenburg 12½c	180ø	......	Q16c	ϕ	5.1
326	94	Rus. Plat. 10c	271	–13	Q20c	3.1	4.2

MINES—Continued

CENTRAL AFRICAN

1979-80 High	Low	Stock	Price	+ or –	Div. Net	C'vr	Y'ld Gr's
430	97	Coronation	325	–15	Q54c	2.2	8.0
680	132	Falcon Rh.50c	570	–10	Q103c	1.7	10.3
48	11	Rhod'n Corp. 16⅔p	42	......	0.55	6.5	1.9
267	70	Roan Cons. K4	255	+3	Q0.125	ϕ	3.2
67	26	Wankie Col. Rh1	63	......	Q9c	1.5	10.3
57	9	Zam. Cpr. SBD0.24	56	–2	—	—	—

AUSTRALIAN

1979-80 High	Low	Stock	Price	+ or –	Div. Net	C'vr	Y'ld Gr's
25	18	Acmex 50c	23	......	—	—	—
13	4	ACM 20c	18	......	—	—	—
91	50	Bond Corp.	91	......	Q3.75	2.2	2.1
179	100	[illegible] 50 Toea	176	–3	†Q19.6c	1.0	5.6
245	84	BH South 50c	265	......	◆—	—	—
12	12	Canada Northwest	12	......	—	—	—
[illegible]	5	Carr Boyd 20c	25	......	—	—	—
[illegible]	[illegible]	Central Pacific	[illegible]	–2	—	—	—
313	170	Conzinc Riotinto 50c	303	–20	NQ10c	2.0	1.7
36	14	Cultus Pacific N.L.	32	–1	—	—	—
*50	25	Eagle Corp. 10c	45	......	—	—	—
[illegible]	11	Endeavour 20c	23½	......	—	—	—
228	62	G. M. Kalgoorlie 25c	206	......	†Q3c	—	0.8
305	146	Hampton Areas 5p	300	......	3.5	2.8	1.7
35	22	[illegible] N.L.	32	......	—	—	—
72	25	Metals Ex. 50c	66	–3	—	—	—
366	134	M.I.M. Hldgs. 50c	306	+2	mQ15.1c	1.8	2.7
25	15	Mineral Exp.	[illegible]	......	—	—	—
142	30	Mount Lyell 25c	142	–4	—	—	—
44	13	Newmetal 20c	22	......	—	—	—
169	91	††North B. Hill 50c	159	......	Q12c	1.9	3.6
57	[illegible]	Nth. Kalguri	54	–2	—	—	—
165	45	Nth. Mining Corp.	156	+1	—	—	—
71	[illegible]	N. West Mining N.L.	27	......	—	—	—
194	76	Oakbridge SA1	194	+4	Q12c	4.7	3.2
[illegible]	22	[illegible]	102	+2	—	—	—
146	58	Pacific Copper	140	–2	—	—	—
*575	125	[illegible]	450	......	—	—	—
*62	[illegible]	[illegible] 5p	59	+3	—	—	—
480	248½	Peko Wallsend 50c	430	+20	tQ17.5c	ϕ	1.9
217	[illegible]	[illegible]	[illegible]	......	—	—	—
900	145	Southern Pacific	[illegible]	–10	—	—	—
*67	8½	[illegible] 20c	67	......	—	—	—
26	17	West Coast 25c	23	......	—	—	—
244	121	Western Mining 50c	242	–2	Q7c	1.6	1.6
28	3	Westmex	25	–2	—	—	—
54	20	Whim Creek 20c	33	......	—	—	—
25	10½	York Resources	15½	......	—	—	—

TINS

1979-80 High	Low	Stock	Price	+ or –	Div. Net	C'vr	Y'ld Gr's
30	23	Amal. Nigeria	27xd	......	1.0	1.9	5.3
435	255	Ayer Hitam SM1	325	+5	Q20c	0.9	19.4
[illegible]	[illegible]	Beralt Tin	65	–3	4.5	ϕ	9.9
270	159½	Berjuntai SM1	145	+10	†Q95c	1.0	‡
190	125	Geevor	145	..	8.71	3.1	7.5
11	6	Gold & Base 12½p	11	......	—	—	—
355	255	Gopeng Cons.	325xd	......	25.0	ϕ	10.7
370	259	Hongkong	302	......	35.67	ϕ	17.1
98	64	Idris 10p	85xd	......	†8.0	1.6	12.3
15	9½	Jantar 12½p	15	......	—	—	—
95	56	Kamunting SM0.50	64	......	Q47½c	1.1	16.7
620	210	Killinghall SM1	200	......	Z065c	—	4.1
585	365	Malay Dredging SM1	565	......	rQ105c	2.6	3.8
57	25	Pahang	27	......	0.44	0.3	2.4
125	40	Pengkalen 10p	100xd	......	6.0	ϕ	8.7
275	155	Petaling SM1	235	......	Q150c	ϕ	13.0
67	53	Saint Piran	65	+7	±2.5	6.4	‡
56	34	South Crofty 10p	42	......	±3.0	2.0	‡
230	170	South Kinta SM0.50	220	+5	Q155c	1.9	13.9
[illegible]	265	Sthn. Malayan SM1	375	+10	Q175c	2.1	9.5
310	210	Sungei Besi SM1	245	......	†Q520c	1.0	42.9
75	25	Supreme Corp. SM1	35	......	Z010c	—	5.8
105	93	Tanjong 15p	100xd	......	7.5	0.7	11.0
115	90	Tongkah H. Tin	90	......	Q45c	1.3	11.2
283	190	Tronoh SM1	265	......	†Q25c	5.2	2.1

COPPER

1979-80 High	Low	Stock	Price	+ or –	Div. Net	C'vr	Y'ld Gr's
190	56	Messina R0.50	187	–3	Q10c	ϕ	3.1

MISCELLANEOUS

1979-80 High	Low	Stock	Price	+ or –	Div. Net	C'vr	Y'ld Gr's
61	54	Barymin	64	+2	—	—	—
14½	10	Burma Mines 17½p	13½	......	—	—	—
460	170	Cons. Murch. 10c	407	–5	Q100c	ϕ	14.1
535	260	Northgate C$1	555	–10	—	—	—
417	226	R.T.Z.	405	–4	†11.5	3.4	4.0
31	12	Robert Mines	26	+1	—	—	—
65	26	Sabina Inds. C$1	44	......	—	—	—
830	470	Tara Expln. $1	540	......	—	—	—

NOTES

Unless otherwise indicated, prices and net dividends are in pence and denominations are 25p. Estimated price/earnings ratios and covers are based on latest annual reports and accounts and, where possible, are updated on half-yearly figures. P/Es are calculated on "net" distribution basis, earnings per share being computed on profit after taxation and unrelieved ACT where applicable; bracketed figures indicate 10 per cent or more difference if calculated on "nil" distribution. Covers are based on "maximum" distribution; this compares gross dividend costs to profit after taxation, excluding exceptional profits/losses but including estimated extent of offsettable ACT. Yields are based on middle prices, are gross, adjusted to ACT of 30 per cent and allow for value of declared distribution and rights.

● "Tap Stock.
* Highs and Lows marked thus have been adjusted to allow for rights issues for cash.
† Interim since increased or resumed.
‡ Interim since reduced, passed or deferred.
‡‡ Tax free to non-residents on application.
ϕ Figures or report awaited.
†† Unlisted security.
ø Price at time of suspension.
¶ Indicated dividend after pending scrip and/or rights issue: cover relates to previous dividends or forecasts.
◆ Merger bid or reorganisation in progress.
♣ Not comparable.
◊ Same interim: reduced final and/or reduced earnings indicated.
§ Forecast dividend; cover on earnings updated by latest interim statement.
‡ Cover allows for conversion of shares not now ranking for dividends or ranking only for restricted dividend.
★ Cover does not allow for shares which may also rank for dividend at a future date. No P/E ratio usually provided.
◆ Excluding a final dividend declaration.
♠ Regional price.
‖ No par value.

§§ Yield based on assumption Treasury Bill Rate stays unchanged until maturity of stock. a Tax free. b Figures based on prospectus or other official estimate. c Cents. d Dividend rate paid or payable on part of capital; cover based on dividend on full capital. e Redemption yield. f Flat yield. g Assumed dividend and yield. h Assumed dividend and yield after scrip issue. j Payment from capital sources. k Kenya. m Interim higher than previous total. n Rights issue pending. q Earnings based on preliminary figures. s Dividend and yield exclude a special payment. t Indicated dividend: cover relates to previous dividend, P/E ratio based on latest annual earnings. u Forecast dividend: cover based on previous year's earnings. v Tax free up to 30p in the £. w Yield allows for currency clause. y Dividend and yield based on merger terms. z Dividend and yield include a special payment: Cover does not apply to special payment. A Net dividend and yield. B Preference dividend passed or deferred. C Canadian. E Minimum tender price. F Dividend and yield based on prospectus or other official estimates for 1979-80. G Assumed dividend and yield after pending scrip and/or rights issue. H Dividend and yield based on prospectus or other official estimates for 1978-79. K Figures based on prospectus or other official estimates for 1979-80. M Dividend and yield based on prospectus or other official estimates for 1980. N Dividend and yield based on prospectus or other official estimates for 1979. P Figures based on prospectus or other official estimates for 1978-79. Q Gross. T Figures assumed. Z Dividend total to date.

Abbreviations: xd ex dividend; xc ex scrip issue; xr ex rights; xa ex all; xR ex capital distribution.

"Recent Issues" and "Rights" Page 30

This service is available to every Company dealt in on Stock Exchanges throughout the United Kingdom for a fee of £50 per annum for each security

REGIONAL MARKETS

The following is a selection of London quotations of shares previously listed only in regional markets. Prices of Irish issues, most of which are not officially listed in London, are as quoted on the Irish exchange

Stock	Price	+ or –
Albany Inv. 20p	27	......
Bertam	13	......
Bdg'wtr. Est. 50p	365	......
Clover Croft	58	......
Craig & Rose £1	£10½	......
Dyson (R. A.) A	18	+1
Fife Forge	58	......
Finlay Pkg. 5p	18	......
Graig Ship. £1	£25	......
Higsons Brew	79	......
Holt (Jos.) 25p	255	......
I.O.M. Stm. £1	180	......
Pearce (C. H.)	385	......
Peel Mills	34	......
Sheff. Refrshmt.	90	......
Sindall (Wm.)	165	......

IRISH

Stock	Price	+ or –
Conv. 9% '80/82	£85	......
Nat. 9¾% 84/89	£71	......
Fin. 13% 97/02	£85½	......
Alliance Gas	66	......
Arnott	340	......
Carroll (P.J.)	53	......
Clondalkin	105	......
Concrete Prods.	83	–2
Heiton (Hldgs.)	35	......
Ins. Corp.	200	......
Irish Ropes	86	......
Jacob	35	......
T.M.G.	150	......
Unidare	80	–2

OPTIONS

3-month Call Rates

Industrials	
A. Brew	6
BOC Intl.	6
B.S.R.	5
Babcock	12
Barclays Bank	30
Beecham	15
Blue Circle	25
Boots	17
Bowaters	16
B.A.T.	25
Brown (J.)	7
Burton 'A'	22
Cadburys	5½
Courtaulds	8
Debenhams	5
Distillers	21
Dunlop	5½
Eagle Star	14
F.N.F.C.	1¼
Gen. Accident	21
Gen. Electric	30
Glaxo	40
Grand Met.	12
G.U.S. 'A'	30
Guardian	23
G.K.N.	22
Hawker Sidd.	16
House of Fraser	12
I.C.I.	22
"Imps"	7
I.C.L.	45
Invereslk	5
Ladbroke	15
Legal & Gen.	14
Lex Service	10
Lloyds Bank	34
"Lots"	3½
London Brick	6
Lucas Inds.	30
"Mams"	14
Mrks. & Spncr.	9
Midland Bank	30
N.E.I.	5
Nat. West. Bank	32
P & O Dfd.	9
Plessey	10
Racal Elect.	20
R.H.M.	4½
Rank Org.	10
Reed Intnl.	17
Sears	5½
Tesco	7
Thorn	25
Trust Houses	14
Tube Invest.	27
Unilever	40
U.D.T.	4
Utd. Drapery	9
Vickers	14
Woolworths	6½
Property	
Brit. Land	7
Cap. Counties	9
Land Secs.	25
MEPC	17
Peachey	13
Samuel Props.	12
Town & City	2
Oils	
Brit. Petroleum	28
Burmah Oil	15
Charterhall	5½
KCA	6½
Premier	7
Shell	28
Tricentrol	27
Ultramar	32
Mines	
Charter Cons.	18
Cons. Gold	48
Lonrho	9
Rio T. Zinc	55

A selection of Options traded is given on the London Stock Exchange Report page

FINANCIAL TIMES

Friday February 1 1980

Thatcher denial on telephone tapping

BY PHILIP RAWSTORNE

MRS. MARGARET THATCHER and Mr. William Whitelaw, the Home Secretary, gave firm assurances in the House of Commons yesterday that no unauthorised telephone tapping was being carried out by the security services or police.

They faced a barrage of questions from MPs after a report in the New Statesman alleged that illegal surveillance operations were being conducted from a Post Office building in Ebury Bridge Road, London.

The report said that computerised equipment capable of tapping 1,000 telephone lines simultaneously was being used.

Neither Mrs. Thatcher nor Mr. Whitelaw could comment on details of the report.

But the Prime Minister declared: "There is effective political control of the security services. There is also effective ministerial control of telephone interceptions."

Mr. Whitelaw, responding to demands for a full inquiry and legislation to safeguard individual rights, told MPs that he would be making a Commons statement soon.

The Home Office was currently studying issues raised in the case of Mr. James Malone, a Surrey antique dealer.

Mr. Malone made an unsuccessful High Court attempt last year to force the Metropolitan Police to justify its legal right to tap telephones.

But Mr. Whitelaw vehemently denied yesterday that any surveillance was being carried out except on the authority of individual warrants signed by himself.

The interception of postal and telephone communications was a vital weapon in combating serious crime such as drug smuggling and terrorism, he said. It was carried out by the Post Office on behalf of the police, Customs and Excise and the security services.

Mr. Whitelaw stressed that there had been no change in procedures and that he exercised his responsibility "personally and with great care."

John Lloyd writes: The Post Office would not confirm that 93 Ebury Bridge Road, in Chelsea, was the national centre for the interception of calls.

The Post Office statement, however, dispelled the common belief that all authorisations must be given by the Home Secretary. Its statement said that "every case (of tapping) has to be personally approved by a Secretary of State." The Home Office confirmed that authorisation for a tap could be given by any Secretary of State if the Home Secretary was abroad or ill.

In a radio interview, Mr. Merlyn Rees, the former Home Secretary, said that "every phone tap comes, not just nominally to the Home Secretary, but firmly to the Home Secretary." He said that taps were made in cases of major crimes, terrorism and serious subversion. The number of taps he had authorised in a year was "not in the thousands."

Mr Rees said, however, that it was now time that a major report was undertaken

Mr. Brian Stanley, the general secretary of the Post Office Engineering Union, also called for an immediaet inquiry

"Such an inquiry might be conducted by three Privy Councillors and should result in as full a public report as is consistent with proper security considerations . . . this inquiry might well establish that the situation has changed significantly since the Birkett Report of 23 years ago, and it would establish that Post Office engineers are not involved."

Parliament, Page 12; Men and Matters, Page 18

Continued from Page 1

Rough diamond

a hedge aginst falling values of paper money.

By increasing the price levels at the higher end of the market, the selling organisation is underlining the contrast with prices for smaller diamonds, which retail in jewellery at anything from £100 to £1,500.

At the highest end of the world market as much as £22,000 might be asked for a one-carat stone of the very rare "D", flawless quality.

Despite the price increases since 1978, the value of rough diamonds sold by the organisation to the market last year increased only slightly to a record $2.59bn (£1.15bn) from $2.55bn in 1978, suggesting that fewer diamonds were sold and also reflecting the fall in the value of the dollar.

TUC warns Ministers of social unrest risk

BY CHRISTIAN TYLER, LABOUR EDITOR

BRITAIN FACED serious social unrest if the Government did not quickly intervene to prevent rapid rundown of the steel and coal industries, the TUC warned Ministers last night.

Senior members of the Cabinet, including the Chancellor and the Secretaries for Industry and Employment, met a delegation of TUC leaders from the nationalised industries against a background of mounting protests in Wales, and the fear of some union general secretaries that the country might drift into a General Strike.

Mr. Len Murray, TUC general secretary, said afterwards that he had tried to impress on the Ministers that the situation could "get out of control" if the timetable for further steel plant closures was not greatly relaxed.

"We tried to give them a sense of the outrage that is felt. It has not been whipped up or stirred up in any way. You only have to look at South Wales to see that."

Ministers' answers had been anything but clear, and very little had come from the meeting.

The TUC proposed to put three questions to the Government in writing, concerning BSC's closure timetable, availability of EEC aid and the subsidy of coking coal. If the answers showed there to be no change of mind, then "we are in for a very rough time," Mr. Murray said.

On what form any reaction would take, and what part the TUC would play in that response, Mr. Murray refused to speculate.

With the threat of prolonged industrial action in South Wales from March 10 some kind of conclusion to the present discussions can be expected by the end of this month.

Although the talks ranged over Government policy as a whole, it focused on TUC demands for a deferred timetable of BSC closures to mitigate the social consequences for large communities; more active investigation of the scope for further EEC aid to steel and coal; and a subsidy for coking coal that would prevent BSC going abroad for more and cheaper supplies next year.

Ministers appeared adamant that BSC's closure timetable was a matter for the Corporation, while recognising the need for full consultation with the unions.

They rejected the TUC's charge that the Government had not been vigorous enough in claiming social grants from the EEC, and said that any subsidy of coking coal would have to be found by the National Coal Board from within the cash limit already laid down.

Sir Geoffrey Howe, the Chancellor, stressed that the Government recognised its social responsibility and was already preparing "remedial measures" to cushion communities hit by cuts.

Asked about the threat of industrial action from South Wales, he said: "We hope that further industrial action does not take place.

By taking strike action you don't do anything for national wealth, national prosperity or job security, whether in Wales or in the UK as a whole."

The meeting had produced a better understanding of each side's views, and he hoped there could be further meetings, as with the chairmen of nationalised industries, to discuss specific issues.

The Chancellor repeatedly emphasised that Government policy was designed to make the steel industry healthy and competitive in the long term.

Continued subsidies were not in the long-term interest of the industry or the economy as a whole, and taxpayers' money should be released as early as possible for other purposes.

He was strongly supported by Sir Keith Joseph, the Industry Secretary, who said plainly that the Government would not intervene in BSC's plans to shed 50,000 jobs by August. That was the BSC's responsibility alone.

Asked about the coking coal subsidy of £18m for which the miners are looking to stave off further redundancies, Mr. John Moore, Minister responsible for coal, said that the higher price of oil gave the Coal Board more headroom within which to find its own subsidy for the product.

The Chancellor declared that the Government's policy toward the nationalised industries was "part of a seamless web of reality."

The next move from the TUC wil come when it has heard the answer to its three questions on BSC's closure timetable, availability of EEC aid, and the subsidy of coking coal.

Smith's advice: back Nkomo

BY TONY HAWKINS IN SALISBURY

MR. IAN SMITH, the former Rhodesian Prime Minister, yesterday came out publicly in support of Mr. Joshua Nkomo, leader of the Patriotic Front, and against his rival, Mr. Robert Mugabe, in a move apparently designed to lay the foundations of a moderate coalition Government after this month's elections.

His advice to black voters, he said, was to avoid both guerrilla parties, but "if you have to choose between them, then Nkomo is the better bet." In spite of his role in the war, the veteran nationalist leader is regarded as more moderate and pragmatic than Mr. Mugabe.

Mr. Smith's intervention comes amid growing indications that his ally in the "internal setttlement" government, Bishop Abel Muzorewa, is losing support to Mr. Nkomo's Patriotic Front and Mr. Mugabe's Zimbabwe African National Union (ZANU).

Speaking to a group of some 75 white farmers in south-west Rhodesia, the former Premier said that employers should tell their workers to turn away from Marxism.

His comments were promptly attacked by a spokesman for Mr. Nkomo, who said that the Patriotic Front leader did not want Mr. Smith's backing.

Mr. Smith admitted that a straight choice between Mr. Nkomo, whose guerrillas were responsible for the shooting down of two civilian Viscount airliners during the war, and Mr. Mugabe might seem distasteful to some people.

But the better choice was Mr. Nkomo, he said, going on to attack his former colleagues in the Salisbury Government delegation at the Lancaster House talks who had supported Britain's settlement plan.

He had warned them what would happen "but they laughed at me" Now they were admitting he was right, said Mr. Smith. They had been "taken for a ride" by the British.

The Rhodesian Front, led by Mr. Smith, seems certain to hold all 20 white seats in the 100-member parliament. Observers believe Mr. Nkomo could secure 20 or more of the 80 black seats. While ZANU is generally expected to emerge as the largest single black party, Bishop Muzorewa, the Rev. Ndabaningi Sithole and Mr. James Chikerema may be able to win sufficient seats to help Mr. Nkomo form a coalition.

However, Mr. Smith's endorsement is hardly likely to enthral Mr. Nkomo, and his remarks have also angered the United African National Council of Bishop Muzorewa.

Mr. Ernest Bulle, the party's second vice-president, said that the white leader was being "extremely dangerous and devious." He added that it was time Mr. Smith stood aside for "more competent and respected whites."

In a Salisbury township a petrol bomb was thrown into the home of a ZANU party official, Mr. Pedzisayi Chikerema. He was away at the time of the attack but his daughter was seriously burned.

CBI finds Rhodesia a tough market, Page 6

Threat to arms control talks

BY PAUL LENDVAI IN VIENNA

NATO governments yesterday warned that the Soviet intervention in Afghanistan threatened the 19-nation East-West negotiations on arms controls.

The general gloom at the 20th round of the Vienna talks on Mutual and Balanced Force Reductions was deepened by the Warsaw Pact's sharp criticism of the latest NATO proposals for troop reductions.

Speaking for the West, Ambassador Edouard Molitor of Luxembourg said that "events elsewhere"—meaning Afghanistan— "diminished the level of mutual confidence which is vital to progress in any arms control negotiations."

NATO could not be blind, he added, to the fact that "those events have cast their shadow over the detente process."

The spokesman for the East, Ambassador Tadeusz Strulak of Poland, said that the NATO proposals submitted on December 20 were "devoid of any real significance . . . a convenient excuse for covering Western unwillingness to reduce any armaments."

The NATO proposals called for U.S.-Soviet reductions of 13,000 and 30,000 troops respectively. The West also proposed a system of advance notice of troop movements and other military activities.

Significantly, the NATO proposal ignored the Soviet unilateral withdrawal of 20,000 troops and 1,000 tanks from East Germany by October this year. Ambassador Molitor repeated that the Eastern Bloc manpower exceeded NATO forces in the reduction area by more than 150,000.

The Polish diplomat said the deployment of new medium-range missiles in Western Europe would directly contradict the aim of reducing troops and arms in central Europe. He added that the indefinite postponement of Salt II ratification in the U.S. Senate did not help the atmosphere at the Vienna talks.

Ambassador Strulak at his Press conference later tried to tone down the sharp comments in his prepared statement and stressed that the Warsaw Pact had not flatly rejected the latest NATO proposal but was still "studying" it.

He also pointed out that events in Afghanistan had had no influence on the troop-cut talks and reaffirmed that the talks were "continuing normally."

Some Western diplomats regarded these statements as proof that the Eastern side was still seeking to project the impression of a real interest in progress at the troop-cut talks.

Both the East and the West have expressed willingness to continue the search for an agreement, but Western observers see little hope for breaking the deadlock.

"The fact alone that the talks are still going on provides a ray of hope, but the general mood is more depressed than at any time since the full-scale talks began here in the autumn of 1973," one participant said.

The crisis in Afghanistan, Page 4

Continued from Page 1

Edwardes' warning to unions

unions' stand—"if lots abstain we would take it as a vote for management."

Asked whether BL could survive an extended steel strike, Sir Michael said the company had "reasonable" stocks and that it was not faced with an immedite prospect of lay-offs. However, as the impact grows "there will be less money in the kitty. The steel strikes puts us in even less of a position to change the wage offer. But as to whether another four weeks of strike will bring BL to an end, that is very doubtful."

The pay ballot is not the only pressing industrial relations issue facing BL. In the next few days the findings are expected to be announced of the AUEW's internal inquiry into the dismissal of Mr. Derek Robinson, the former Longbridge convenor, who despite his sacking was re-elected as chairman of the unofficial Leyland Shop Stewards Committee.

Even if the union finds that he was unfairly dismissed, Sir Michael said yesterday, BL "would need remarkable new evidence to emerge" before it would consider reinstating him.

He attacked Mr. Robinson's conduct at the plant, declaring that 87 per cent more man hours were lost during his tenure compared with a similar period under his predecessor,

"We got to the stage where only 4 per cent of working days were free of internal disputes and sanctions." He listed 523 disputes and the production loss of 62,000 and 113,000 engines as taking place under Mr. Robinson.

"Since he has gone, that figure (of days free of internal disputes) has gone from 4 per cent to 89 per cent," said Sir Michael.

Callaghan attack on EEC delays

By Richard Evans, Lobby Editor

MINISTERS now accept privately that the Government could face severe political and economic difficulties because of the delay in recouping a substantial slice of the UK's budget contribution to the European Community.

Opposition leaders moved immediately yesterday to exploit the Prime Minister's failure to achieve the hoped for special summit next month to settle British demands.

Mrs. Thatcher's claim in the Commons that the Community was "moving towards our position" was greeted with derisive laughter by the Opposition and Mr. Callaghan repeatedly challenged her to admit she had retreated since the Dublin summit when "broad balance" in Britain's contribution was demanded.

The view among some Ministers as well as Opposition leaders following the talks between Mrs. Thatcher and Sgr. Cossiga, Italian president of the European Council, was that little apparent progress is being made in Britain's campaign to reach a firm settlement before the start of the next financial year.

As her Labour opponents pointed out failure would not only be a humiliating political reverse but would put added pressure on the Cabinet to achieve greater public expenditure cuts, in 1980-81.

The Cabinet's problem is that any postponement of a decision on the budget contribution would mean that an EEC rebate could not be included in the White Paper due in March on the further round of public expenditure cuts next year.

Mrs. Thatcher has confirmed that further cuts of £2bn are being sought but that this includes the £1bn refund, or a substantial portion of it.

The Cabinet spent three hours yesterday discussing the public expenditure cuts and the indications were that, although substantial progress was made on a series of departmental options, there is a continuing rearguard action against Treasury demands.

The review has still not been completed and further Ministerial meetings will be necessary before the White Paper can be drafted.

Meanwhile Miinsters remain outwardly optimistic that success wil be achieved at the March EEC summit.

Parliament, Page 12

Weather

FEBRUARY FORECAST

Very cold at first. Widespread snow, heavy in places. Mild rainy spells likely later.

UK TODAY

Cold, dry with sunny intervals.

London, S.E. England, Midlands, Cent. N. England, S.W. Scotland, N. Ireland

Mainly dry. Bright intervals. Cold. Max. 4C (39F).

S.W. England

Mainly dry. Bright spells. Rain or snow later. Max. 7C (45F).

E. Coast, Wales, N.W. England, N.E. England, Edinburgh, Aberdeen areas

Wintry showers dying out. Bright spells later. Cold. Max. 4C (39F).

Weekend outlook: Mostly dry. Rain or snow in Wales and S. England. Cold.

WORLDWIDE

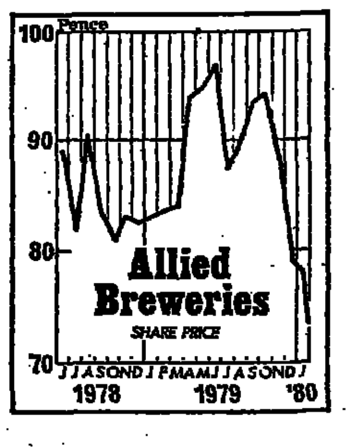
		Y'day midday °C	°F			Y'day midday °C	°F
Ajaccio	C	12	54	London	C	9	48
Algiers	S	21	70	Luxmbg.	R	6	43
Amsdm.	F	10	50	Luxor	S	23	73
Bahrain	S	15	59	Madrid	C	12	54
Barcina.	C	12	54	Majorca	C	14	57
Beirut	S	12	54	Malaga	C	14	57
Belfast	C	4	39	Malta	S	16	61
Belgrd.	S	13	55	Mchstr.	R	3	37
Berlin	R	5	41	Melbne.	S	28	82
Biarritz	C	10	50	Mex. C.	S	24	74
Bmghm.	C	7	45	M'ntreal	C	—19	—2
Blackp'l	R	3	37	Mscw.	Sn	—12	10
Bordx.	C	12	54	Munich	C	7	45
Boulgn.	F	9	48	Nairobi	R	21	70
Bristol	R	7	45	Naples	R	11	52
Brussels	F	11	52	Nwcstl.	Sn	1	34
Budpst.	F	6	41	N. York	C	—4	24
B. Aires	S	27	81	N. Delhi	S	19	66
Cairo	S	16	61	Nice	R	8	46
Cas'b'ca	F	19	66	Nicosia	C	13	55
Cape T.	S	24	75	Oporto	F	12	54
Chicago	Sn	—6	21	Oslo	C	—8	18
Cologne	C	11	52	Paris	C	11	52
Cpnhgn.	C	—1	30	Perth	S	27	81
Dublin	R	4	39	Prague	C	5	41
Dbvnk.	C	9	47	Reykjvk.	C	—6	21
Ednbgh.	C	3	37	Rio J'o	S	30	86
Faro	C	17	63	Rome	C	15	57
Florence	C	10	50	Salzb'rg	C	8	46
Frankf't	R	8	46	Singapr.	S	32	90
Funchal	C	20	68	Stckhm.	C	—7	19
Geneva	R	9	48	Strasb'g	R	9	48
Gibrltr.	C	16	61	Sydney	C	30	86
Glasgow	C	3	37	Tangier	C	16	61
G'msey	R	9	48	Tehran	S	—1	30
Helsinki	F	—20	—4	Tel Aviv	S	16	61
H. Kong	C	9	48	Tenerife	Fg	15	59
Innsbrk.	C	9	48	Tokyo	C	8	46
I.o.Man	R	3	37	Toronto	C	—17	1
Istanbul	S	7	45	Tunis	S	16	61
Jersey	R	8	46	Valencia	C	17	63
Jo'burg	C	21	70	Venice	R	4	39
L. Plms.	F	18	64	Vienna	C	2	36
Lisbon	F	14	57	Warsaw	C	4	39
Locarno	R	3	37	Zurich	C	9	48

C—Cloudy. F—Fair. Fg—Fog. R—Rain. S—Sunny. Sl—Sleet. Sn—Snow.

THE LEX COLUMN

The next step for the clearers

Index fell 4.3 to 453.3



February brings the clearing bank results season—Lloyds will kick off, on the 22nd—and as usual the figures are preceded by a stream of fat brokers' circulars. By this time of year the analysts are pretty close in their estimates of the results for the financial year just ended. But whether the clearers will show higher or lower profits for 1980 is a subject on which opinion is still very much divided.

Last month clearing bank share prices showed noticeable relative weakness, probably as an inevitable reaction to the burst of strength late last year. During last autumn investors realised that interest rates were going to rise, rather than fall, and loan demand turned out to be unexpectedly strong. These were positive factors, and the banks sector index rose to around 0.97 relative to the F.T.-Actuaries All-Share Index.

But in the past four years or so, the banks have been a sell when the index has topped a relative value of 0.95, and a buy at under 0.80. With much talk in the air of lower money rates and the impact of a recession on loan demand the index has faded to a relative position of about 0.91.

At least the past few months of juicy interest rates will lead to the announcement of some bumper 1979 figures. Last summer there was an expectation of an abrupt end to progress after the overall 70 per cent jump in pre-tax profits reported by the Big Four in the first six months. In fact, analysts on average now seem to anticipate an improvement of almost a quarter in the second six months, over the excellent figures for the same period of 1978, and that corresponds to an aggregate gain of a little over 40 per cent for the Big Four for the full year 1979.

Progress made by the clearers varied sharply between individual banks in the first six months, ranging from growth of 56 per cent by Midland to an advance of just over 100 per cent by NatWest. Typical analysts' estimates suggest that the four will come much more into line in July-December, though Midland will be somewhat below the others because of the impact of disposals of its insurance broking interests and the Standard Chartered stake.

There are one or two nervous thoughts that the clearers might take advantage of good results to tuck something away for harder times. They might be tempted, for instance, to top up their general provisions ahead of a squeeze on the corporate sector (though specific bad debts will still be very low) and with an eye on potential trouble on the international lending front. It could also be a year for making absolutely sure that pension schemes are well topped up. The main anxieties, however, concern 1980, and in particular the potential impact of a set of bumper results on the clearers' costs base.

Last July the clearers conceded a 20 per cent pay settlement, and they are now facing a claim for a 25 per cent rise from April 1. Even in the more likely event of a settlement in the region of, say, 15 per cent being negotiated, pay will have gone up by almost 40 per cent within nine months. It is the prospect that clearing bank profits will be crunched between rapidly rising costs and declining interest income, as money rates fall later in the year, that explains the modest rating of the shares in the market. They are typically on fully taxed 1979 p/e ratios of little more than 4 (on actual tax, only 3) and yields are likely to improve to between 6 per cent (Barclays) and 8 per cent (Midland).

One view is that clearing bank profits could fall back by 10 per cent or so this year. The size of any setback will largely depend on the extent to which base rates decline, though it should also be remembered that there are some built-in stabilisers: hire purchase subsidiaries are countercyclical in this respect, and there is scope for widening the gap between base rate and the retail deposit rate. Perhaps the most bullish view is taken by brokers Laing and Cruickshank who expect to see a big rise in charges and an improvement in international margins. On an average base rate of 13 per cent they suggest that pre-tax profits could increase an eighth or so in 1980; but they project an average base rate of 9 per cent in 1981 and a slight profits setback, the approximate formula being that each point of base rate makes a difference of 5 per cent t the profits total.

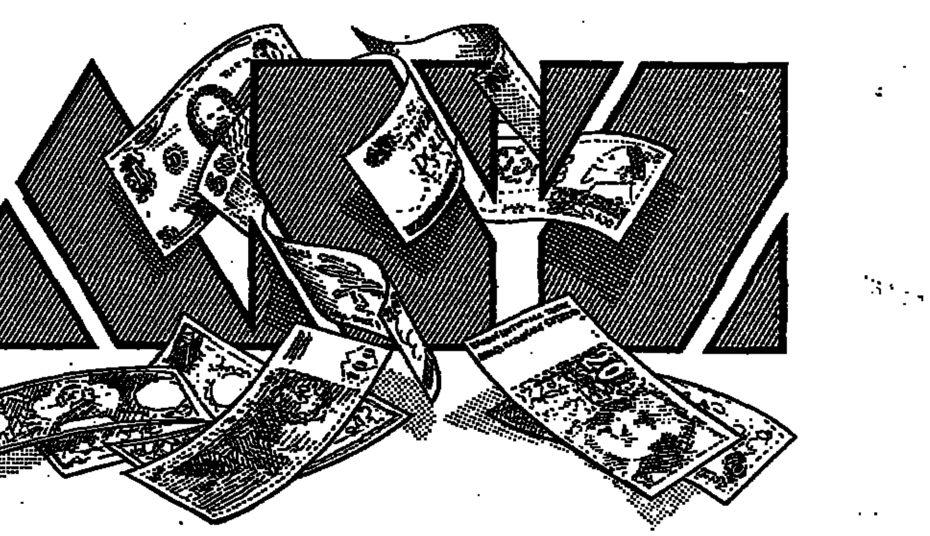
Allied/Vaux

Vaux has been expanding it business rather faster than i has been generating cash, an even a fixed asset revaluatio could not disguise a certai strain in the last balance sheet In the year to September ne debt rose from £10.1m t £15.4m, and Vaux must hav jumped at the chance of gettin rid of its Scottish tied estate—which is making hardly an profit after interest and tax—for £20.9m, just about it revalued book worth. The company is now bale to pay off it overdraft and fund its growt in Yorkshire and Lancashire without having to worry abou what had become an unsati factory operation in Scotlan The threat of a rights issu recedes, and the shares bounde up yesterday by 14p to 150p.

The purchaser, so long as th Office of Fair Trading gives th deal a clear run, is Allie Breweries, which placed 29.6 shares in the market yesterda Allied's share of the Scottis beer market will rise from 6 t 10 per cent, which should mak it big enough to attack Scottis and Newcastle and Bass, whic have three quarters of th market between them. Th large tied estate will, to som extent, protect Allied from th cut throat margins of the fre trade in which it operates present, and will enable it t increase production at th under-used Alloa brewery, wi substantial marginal co savings. Whether Allied English beer business is good enough shape to fr management for forays ov the border is another matter.

Allied will certainly take i Scottish adventure seriousl giving particular support to t Skol brand: bad news for Sc tish and Newcastle, which h recently made great strides w its lagers. The Allied sha placed yesterday amount to per cent of present issued ca tal, but earnings dilution shou be negligible

The placing price, a fract over 71p against an early pr of 77p, does not suggest m enthusiasm for Allied sha But the discount is a comp sation for being tied into listed shares in the three we before the OFT reports, at time when the approach of Budget might make brew shares vulnerable.



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